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OVERSIGHT PLANS

FOR ALL

HOUSE COMMITTEES

WITH ACCOMPANYING RECOMMENDATIONS

BY THE

COMMITTEE ON GOVERNMENT REFORM

HOUSE OF REPRESENTATIVES

(Required by House Rule X, Clause 2(d))

together with

MINORITY VIEWS

MARCH 31, 2003.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
Washington, DC, March 31, 2003.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER:

In accordance with Rule X(2)(d) of the Rules of the House of Representatives, I respectfully submit the oversight plans of each committee together with recommendations to ensure the most effective coordination of such plans and otherwise achieve the objectives of the House Rules.

TOM DAVIS, *Chairman.*

Union Calendar No. 32

108TH CONGRESS *1st Session* | HOUSE OF REPRESENTATIVES | REPORT 108–52

OVERSIGHT PLANS FOR ALL HOUSE COMMITTEES WITH ACCOMPANYING RECOMMENDATIONS

MARCH 31, 2003.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. TOM DAVIS, from the Committee on Government Reform submitted the following

REPORT

OVERSIGHT IN THE 108TH CONGRESS

RECOMMENDATIONS

OF THE

COMMITTEE ON GOVERNMENT REFORM

Pursuant to House Rule X, clause 2(d)(2), the Committee on Government Reform reports to the House the oversight plans submitted by each standing committee, along with the committee's recommendations for ensuring the most effective coordination of such plans.

Congressional oversight, as envisioned by the House leadership, is ultimately about the rule of law. Federal law authorizes the Federal Government to spend taxpayer funds to accomplish certain defined missions. While much oversight is designed to ensure that substantive public policy objectives set forth in congressional enactments are achieved, Congress has also recognized through the enactment of specific Federal statutes that sound management practices will ensure that the substantive objectives are achieved in a cost effective manner. The Constitution's system of checks and balances obligates the Congress to oversee the implementation of all of its enactments.

Through such oversight, Congress can first determine whether the executive branch is carrying out Congress's intentions. Con-

gress can then determine whether the congressional enactment is having the desired effect. And finally, Congress can ensure that government programs are achieving their goals efficiently and cost effectively. Fraud, waste, and mismanagement can be serious impediments to full accomplishment of the government's mission. Congressional oversight establishes the record for corrective action and reforms that ensure the executive carries out the law to the benefit of the public in a cost effective manner and that both the taxpayers and the beneficiaries of Federal programs are not deprived of the public benefits that Congress intended.

Improving the performance of the Federal Government has taken on renewed importance in the wake of the terrorist attacks of September 11, 2001, and the subsequent military actions in Afghanistan and Iraq. The Federal Government suffers from a variety of management problems that undermine its ability to deliver the performance results American taxpayers expect and deserve. These problems affect virtually every area of the government. They include critical computer security weaknesses, pervasive financial management troubles, and the inability to demonstrate what most Federal programs accomplish.

Additionally, the government wastes billions and billions of dollars each year due to improper or erroneous payments. The chart below illustrates $33 billion in erroneous payments identified by the Office of Management and Budget in 20 government programs. Overpayments are clearly unacceptable. In addition to wasting taxpayer dollars, they drain much needed resources from programs that benefit the American people.

Programs	Erroneous Payments	
	Amount (in millions)	Percent•
Medicare—Fee-for-Service	$12,100.0	6.30%
Earned Income Tax Credit	9,200.0	29.35%
Housing Subsidy Programs	3,281.0	17.38%
Unemployment Insurance	2,251.3	9.21%
SSI	1,590.0	5.73%
Food Stamps	1,340.0	8.66%
OASI	1,339.0	.36%
Disability Insurance	1,313.0	2.22%
Medicare—Cost Reports	493.0	2.7%
Student Assistance Pell Grants	336.0	.71%
FEHBP	241.0	1.14%
Federal Retirement	167.0	.35%
Student Aid—External	65.0	.14%
Military Retirement Fund	18.6	.05%

Programs	Erroneous Payments	
	Amount (in millions)	Percent*
Student Aid—Internal	13.3	.03%
Commodity Loans	7.6	.09%
Federal Transit Administration	5.5	.09%
(7a) Business Loan Program	.3	1.9%
Airport Improvement Program	.3	.01%
FEGLI	.2	.01%

*Percentage of program payments in dollars
Source: www.results.gov

Management problems do not need to persist. In many cases, solving these problems does not require new laws or major infusions of money. It does require strong leadership at the highest level of government. It also requires a sustained commitment by Congress to focus on the problem and to hold people accountable until the mission is accomplished.

The Committee on Government Reform urges the committees to use all available resources to supplement their own efforts to conduct oversight. Those resources include the services and reports of the General Accounting Office, the Congressional Research Service, and agency Inspectors General. For example, in January 2003, GAO updated its "High Risk Series," in which it identifies 25 "areas at high risk due to either their greater vulnerabilities to waste, fraud, abuse, and mismanagement or major challenges associated with their economy, efficiency or effectiveness." In addition, committees should look to agency strategic plans, performance plans, and performance reports mandated by the Government Performance and Results Act to review the agencies' strategic objectives, measures of success, and their capacity to satisfy appropriate performance measures. Finally, the committees should look at past committee legislative and oversight reports, court cases, and other studies that can illuminate the operations of the Federal Government. Use of this common approach to oversight will permit the committees to develop legislation and provide recommendations for reform on the basis of a record that clearly and effectively conveys the need for additional congressional action.

The following selected samples of oversight activities from the reports of the standing committees of Congress cover five broad categories including homeland security and national defense, savings and efficiencies, government performance, law enforcement, and citizen services and benefits. The committee has, in most cases, reviewed additional sources, such as those identified above, to provide examples of the purposes, objectives, performance measures, and known management shortcomings of many programs that could be the subject of relevant committee oversight. These examples illustrate the challenges we face as we embark on our over-

sight activities this Congress. Sustained and aggressive oversight will go a long way toward ensuring the government's proper functioning in accordance with Congress's intentions.

HOMELAND SECURITY AND NATIONAL DEFENSE

The protection of our Nation's borders is a critical element of homeland security. Since the events of September 11th, concerns have been raised about the ability of terrorists to enter the United States. The Judiciary Committee will continue its oversight of immigration issues as the functions of the Immigration and Naturalization Service [INS] are transferred to the Department of Homeland Security. These issues include border control strategies, removal of criminal aliens, and immigration benefit fraud. In a November 8, 2002, memorandum for the Attorney General and the Deputy Attorney General, the Department of Justice Inspector General identified 10 top management challenges for the INS alone. The Inspector General cited numerous Inspector General [IG] reports and General Accounting Office [GAO] reports reflecting INS deficiencies in these areas. For example, the IG reported that the INS (1) lacks sufficient staff and equipment to protect the northern border, (2) needs additional facilities and technology to implement an effective control strategy for the southern border, (3) cannot effectively identify aliens who are wanted by law enforcement, and (4) lacks adequate detention capacity for aliens it apprehends.

The International Relations Committee plans to investigate border security, especially with regard to the visa lookout program and new prohibitions for issuing visas to aliens who are members of terrorist organizations, with the goal of strengthening the government's fight against possible terrorist threats. According to the January 2003 GAO Report: *Major Management Challenges and Program Risks, Department of State,* visa issuing policies and procedures are inconsistent among overseas posts, and staff at many posts are inadequately trained.

The Committee on Transportation and Infrastructure will conduct oversight to assess the Coast Guard's implementation of the Maritime Transportation Security Act of 2002 (Public Law No. 107–295), and the overall state of maritime security. According to the Conference Report accompanying this act, U.S. ports are often open and exposed, leaving them susceptible to large-scale acts of terrorism, which could result in loss of life and economic disruption. The act requires the Secretary of Transportation to prepare a National Maritime Transportation Antiterrorism Plan for deterring catastrophic emergencies and to assess port vulnerability.

The Judiciary Committee will conduct oversight of the Department of Justice's continuing efforts to detect, investigate, and prevent terrorist attacks. According to the Department's Fiscal Year 2002 Performance Report, the Department's counter-terrorism objectives for fiscal year 2003 include developing maximum feasible capacity for achieving its ultimate objective of no terrorist attacks by putting in place all necessary elements in five areas of competence: investigations, intelligence, communications, liaison, and program management.

The Committee on Agriculture will oversee the implementation of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law No. 107–188). The act directs the Department of Agriculture [USDA] to maintain a list of biological agents and toxins that pose a severe threat to the health of animals or plants. It also directs the Department of Health and Human Services [HHS] to develop and implement a coordinated strategy for carrying out health-related activities to prepare for and respond to bioterrorism and other public health emergencies.

The Committee on Financial Services will oversee the implementation of the Terrorism Risk Insurance Act of 2002 (Public Law No. 107–297), by the Treasury Department, State insurance departments, and insurance underwriters. According to the Conference Report for this law, the ability of the insurance industry to cover the unprecedented financial risks presented by acts of terrorism can be a major factor in recovering from terrorism attacks, while maintaining the stability of the economy. The act establishes a 3-year terrorism insurance program to pay the Federal share of compensation for insured losses resulting from acts of terrorism.

Homeland security also entails maintaining secure energy sources for the United States, the largest energy consumer in the world. The Energy and Commerce Committee will examine national energy policy as it relates to conservation, energy efficiency, production, and consumption of various sources of energy. Because of a 180 percent increase in U.S. energy consumption during the past 50 years and threats to the security of global oil supplies, the Department of Energy's [DOE's] role in ensuring that the Nation's energy needs are met is critical (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Energy*).

The Veterans Affairs Committee will oversee the implementation of the Department of Veterans Affairs Emergency Preparedness Act of 2002 (Public Law No. 107–287). This law expands VA's role in creating new research centers for the purpose of preparing for and reacting to biological, chemical, or radiological terrorist attacks, as well as threats against active duty service members, veterans, and the general public. (House Report No. 107–471 (2002)).

Several committees will oversee the development of the newly established Department of Homeland Security [DHS]. Congressional oversight of the Department's creation, programs, and activities will be critical to its success and to the protection of the American people. Earlier this year the GAO added the implementation of the new Department to its "high-risk" list of Federal activities that are especially vulnerable to waste, fraud, and mismanagement.

The Judiciary Committee will conduct oversight of the transfer of law enforcement functions to the DHS to ensure that those functions effectively assist the Department in fulfilling its mission "to prevent catastrophic attacks, mobilize national resources for an enduring conflict, and assist in recovery efforts." House Report No. 107–609 pt. 1 at 67 (2002).

Both the Committee on Government Reform and the Committee on Transportation and Infrastructure will conduct oversight to ensure that the DHS is prepared to meet the challenges associated

with integrating the various information systems used by the agencies transitioning into the new Department.

The Transportation and Infrastructure Committee also plans to oversee the transition of the U.S. Coast Guard into the new department, including how the move will impact the ability of the Coast Guard to carry out its non-security missions. Likewise, the committee will scrutinize the incorporation of the Federal Emergency Management Agency into DHS, to ensure that disaster preparedness, response, and recovery programs are not diminished. In the wake of September 11, 2001, FEMA has expanded its scope to focus on the consequences of terrorism, as well as natural disasters.

The Transportation and Infrastructure Committee will conduct oversight of the Transportation Security Administration's [TSA] move into DHS. The committee will examine how the TSA will coordinate with Transportation Department agencies that have security functions. TSA is responsible for security in all modes of transportation, in accordance with the Aviation and Transportation Security Act of 2001 (Public Law No. 107–71).

The Agriculture Committee will conduct oversight of the transition of the USDA's Plum Island Animal Disease Center into the DHS. The Plum Island Animal Disease Center has been folded into DHS, pursuant to the Homeland Security Act (Public Law No. 107–296). The committee's oversight will include ensuring that the non-security functions of the center, including research and training programs continue in the new department. The Plum Island Animal Disease Center is responsible for research and diagnosis to protect U.S. animal industries and exports against catastrophic economic losses caused by foreign animal disease agents accidentally or deliberately introduced into the country.

The Armed Services Committee will oversee how the new Assistant Secretary of Defense for Homeland Defense and the reorganization of combat commands, including the Northern Command, will help to ensure the protection of the United States. The committee plans to examine the impact of increased operational tempo and the current policy on recruitment, training, promotions, separations, and retirements. According to the GAO in its January 2003 report *Major Management Challenges and Program Risks, Department of Defense,* while the services were able to meet their goals for recruiting and retention for fiscal year 2001, retention challenges continued for personnel holding technical and scientific skills that are in demand by the private sector.

The Committee on Government Reform plans to conduct oversight on the question of whether the Federal Government would be able to perform essential functions in the event of another terrorist attack. For example, if there were another attack, would the government continue to be able to disburse benefit checks, collect revenues, and communicate with other agencies and state and local first responders? The committee expects to work with Federal agencies to ensure they have contingency plans in place in case of another major disruption, such as the September 11th attacks.

In addition to questions surrounding continuity of operations for the executive branch, the threat of another attack raises vulnerability issues for congressional operations. In the 108th Congress, the House Administration Committee plans to review congressional

continuity issues, including organizing sessions of Congress at alternate locations and providing technological support for Member communications and chamber operations. In addition, the House adopted some new rules to address continuity issues, including requiring the Speaker of the House to name a successor and allowing him to declare an emergency recess or accelerate or postpone the reconvening of the House in the event of an emergency.

SAVINGS AND EFFICIENCIES

Millions of dollars of savings could be achieved through greater oversight and management of Federal contracting processes. Contract management deficiencies at selected Federal departments and agencies continue to make the General Accounting Office's "high-risk" list. This list contains Federal programs that are especially vulnerable to waste, fraud, and mismanagement. According to the GAO, poor acquisition management plagues the largest Federal purchasers, including the Department of Defense [DOD], Department of Energy, and the National Aeronautics and Space Administration [NASA]. Together these three agencies account for the overwhelming majority of Federal contracting dollars, with DOD alone accounting for 80 percent of the Federal Government's annual contracting budget.

Both the Committee on Government Reform and the Armed Services Committee plan to investigate defense contract management problems. DOD is the government's largest purchaser, spending more than $163 billion for goods and services used to support the agency's mission. Despite the importance of contracting to defense activities, contract management has been a high-risk area since 1992. According to the GAO, financial management practices and systems are so poor that the Department is unable to ensure that it is acquiring goods and services it needs at the best value for the taxpayer. Between fiscal year 1994 and fiscal year 2001, defense contractors voluntarily returned almost $7 billion in overpayments. In addition, the Department faces serious challenges in its efforts to contract for over $5 billion annually for health care needs. Its health care program is overly complicated, prescriptive, and unstable. Making matters worse is the fact that the Department's acquisition workforce has been cut in half over the past 10 years.

The Committee on Government Reform also plans to scrutinize contract management at DOE and NASA. The contracting programs at both of these agencies have been longstanding "high-risk" areas, according to the GAO. The Energy Department is the largest nonmilitary contracting agency in the Federal Government, spending $18 billion annually on contracts. Contractors carry out most of the Department's missions and operate its laboratories and other facilities. DOE contract management has been designated a GAO high-risk area since 1990, with ongoing problems with the selection of the appropriate contract types, the lack of sufficient competition for contracts, and cost and schedule overruns. DOE is taking steps to address these longstanding management problems. For example, according to its fiscal year 2002 Performance and Accountability Report, the agency is working to base more of its service contracts on performance. It is also trying to put more of its solicitations for

contracts online. Despite these reform efforts, the GAO has found no indication of improved performance.

The Science Committee also plans to investigate DOE's procurement and contract management practices, including contracting by the National Nuclear Security Administration and the national laboratories. Although DOE has increased the proportion of major site contracts awarded competitively to 56 percent, it continues to extend contracts at weapons laboratories on a noncompetitive basis (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Energy*).

NASA spends over $12 billion each year through its contracting program. For over a decade, GAO has identified NASA's contract management as a high-risk area. In addition to maintaining poor financial and management systems, NASA has failed to place emphasis on end results, product performance, and cost control. Although much work remains, NASA is taking steps to improve its acquisition practices. According to its fiscal year 2002 Performance and Accountability Report, NASA exceeded its goal of using performance-based contracts for 80 percent of its contracting dollars.

The Armed Services Committee will oversee efficiency problems and infrastructure costs at the Pentagon. According to the GAO in its 2003 report entitled *Major Management Challenges and Program Risks for the Department of Defense,* although DOD is emphasizing reforms, it lacks an overarching business transformation strategy. Infrastructure costs account for nearly 44 percent of its budget, detracting from DOD's ability to spend funds on more critical requirements to carry out its mission.

In addition, the Armed Services Committee and the Committee on Government Reform will examine DOD information technology [IT] acquisition and management to ensure compliance with the E-Government Act of 2002 and the Clinger-Cohen Act of 1996. In its 2003 report entitled *Major Management Challenges and Program Risks, Department of Defense,* GAO found that the DOD invests significant funds in information technology; however, information management and information security weaknesses have reduced the effectiveness of these investments.

The Veterans Affairs Committee will review the potential for cost savings resulting from the sharing of medical care resources between the Department of Defense and Department of Veterans Affairs. Sharing of medical resources between these two agencies was authorized by the Bob Stump National Defense Authorization for Fiscal Year 2003 (Public Law No. 107–314). According to a 1999 GAO survey of VA and DOD officials, beneficiary access and patient satisfaction improved when DOD and VA resources were shared.

The Committee on Small Business plans to investigate ways to improve procurement goals for disabled veterans. In establishing the new office of Veterans Business Development and the National Veterans Business Development Corp., the Small Business Administration [SBA] has made it a goal to integrate services from DOD, VA, and Department of Labor [DOL] to cut costs in veterans business issues, according to the SBA Fiscal Year 2003 Performance Plan.

The Energy and Commerce Committee will review the efficiency, effectiveness, funding, and pace of progress of the Superfund program. The oversight will focus on the Environmental Protection Agency's [EPA] administration of the Superfund Trust Program, which according to the EPA's fiscal year 2002 annual report, has resulted in cost recoveries of $3.1 billion from 1997 through 2002.

The Committee on Financial Services will conduct oversight on the implementation of the Sarbanes-Oxley Act (Public Law No. 107–204), and the work of the Public Company Accounting Oversight Board. According to the Conference Report, investors must be protected by improving the accuracy and reliability of corporate disclosures made pursuant to securities law. The act established the Public Company Accounting Oversight Board, which is responsible for overseeing audits of public companies that are subject to securities laws and establishing audit report standards and rules. The board is also responsible for inspecting, investigating, and enforcing compliance with the law by public accounting firms and certified public accountants.

The Committee on Financial Services will also conduct oversight of the Federal Reserve's operations and management system. The Federal Reserve is responsible for the Nation's monetary policy and supervising and regulating banking institutions.

The Committee on Resources will conduct oversight on the implementation and success of the National Parks Omnibus Management Act of 1998 (Public Law No. 105–391), which is a law to enhance management practices of the National Parks Service. The act was passed after the GAO found that the National Park Service had inadequate data on the condition of resources entrusted to its management.

The Committee on Resources will conduct oversight of the Federal land exchange program authorized by the Federal Land Exchange Facilitation Act. The act transferred the authority to administer the program to the Bureau of Land Management. From 1996 to 2000, GAO issued a number of external audits criticizing the land exchange program.

The Committee on Resources will conduct oversight on the implementation of the National Wildlife Refuge System Improvement Act of 1997 (Public Law No. 105–57), and the efforts to complete a comprehensive conservation plan for each refuge. According to the Conference Report, the law provides that the mission of the National Wildlife Refuge System is to administer a national network of lands and waters for the conservation, management, and restoration of fish, wildlife, and plant resources and their habitats. The system is comprised of 540 refuges, which are located in all 50 States and five territories.

The Energy and Commerce Committee will monitor the management of government and private sector use of the spectrum by the National Telecommunications and Information Administration and the Federal Communications Commission [FCC]. Because of its limited availability and current allocation, the spectrum will need to be used efficiently in order to benefit new wireline and wireless telecommunications technologies and prevent redundancy of services.

The Energy and Commerce Committee intends to review the level of funding for the Corporation for Public Broadcasting [CPB], which is $362.8 million for fiscal year 2003 (House Report No. 108–10 (2003)), as well as examine the costs involved in converting public television stations to the digital standard and the uses of digital technology by those stations. According to the CPB Digital Funding for Public Television report, Federal appropriations for digital conversion has included $20 million in fiscal year 2001 and $25 million in fiscal year 2002 in direct assistance and $43.5 million in those 2 years for specific digital transition projects.

The Confidential Information Protection and Statistical Efficiency Act of 2002 (Public Law No. 107–347) allows for sharing of business data among agencies under uniform confidentiality protections. The Ways and Means Committee will examine whether this authority should be expanded to permit the Internal Revenue Service to share tax data with other Federal agencies for statistical purposes, to improve the quality of government information.

Trade Adjustment Assistance programs were extended for fiscal year 2002 and fiscal year 2003 at a cost of approximately $400 million per year. The Ways and Means Committee will continue its oversight of those programs for workers and firms that have lost jobs or business as a result of increases in imports. House Report No. 107–244 (2001).

The Committee on Financial Services will conduct oversight of the Treasury Department's printing and striking of U.S. currency and coins and the efficiency and productivity of manufacturing operations. The *Fiscal Year 2002 Treasury Department Performance and Accountability Report* finds that the U.S. Mint has improved its production operations efficiency by consolidating headquarters and cutting unnecessary items from the budget.

The Energy and Commerce Committee will investigate DOE's Environmental Management program to clean up radioactive and hazardous wastes. DOE estimates that the total cost of clean up of all the sites will exceed $220 billion and take 70 years, and that $60 billion has been spent without a corresponding reduction in actual risk (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Energy*).

The Science Committee intends to monitor the DOE's plans to reorganize its headquarters program offices, field offices, and over 50 government-owned, contractor-operated facilities. Many of these facilities are in need of repair. An estimated $5 billion to $8 billion above amounts budgeted will have to be invested in the nuclear weapons complex over the next 10 years, and over $300 million has been identified in deferred maintenance for science laboratories (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Energy*).

The Ways and Means Committee will investigate the multibillion-dollar computer modernization component of the Internal Revenue Service [IRS] 10-year modernization program. This program is intended to improve service to taxpayers and ensure greater taxpayer compliance with tax laws. The modernization program remains at risk because the scope and complexity of the program is growing and the management capacity is still evolving. (January

2003, GAO Report: *Major Management Challenges and Program Risks, Department of the Treasury*).

The Committee on Resources will conduct oversight on the U.S. Forest Service's financial management. The January 2003 GAO Report: *Major Management Challenges and Program Risks, Department of Agriculture,* designated the financial management of the U.S. Forest Service as "high risk" because of serious internal control weaknesses.

The Committee on Transportation and Infrastructure will conduct oversight to determine if implementation of the Federal Motor Carrier Safety Administration's January 1, 2003, New Entrant Program will result in a reduction of Federal and State safety and enforcement activities. The committee is concerned that the fiscal year 2003 budget does not contain the necessary resources to conduct the program. The program requires all new motor carriers, private and for-hire, operating in interstate commerce to apply for registration as a "new entrant." The new entrant designation will be removed from the registration at the end of the 18-month safety-monitoring period, if the carrier has passed a safety audit or has not been deemed "unfit" following the compliance review and the new entrant does not have any outstanding civil penalties. The Federal Motor Carrier Safety Administration plans to use a combination of Federal and State personnel to implement the program.

GOVERNMENT PERFORMANCE

One of the primary oversight tools that congressional committees have is the Government Performance and Results Act of 1993 (Public Law No. 103–62) (Results Act). This law gives Congress and taxpayers information about what agencies are accomplishing in relation to the money they spend. The Results Act shifts the focus of government decisionmaking and accountability away from processes and toward results. This year marks the 10-year anniversary of the Results Act. The administration has started a program to link the budgets for selected programs to the results those programs are achieving. As we reach the 10-year anniversary of the Results Act this year, the Committee on Government Reform will examine whether government performance and accountability has improved or declined over the past decade. In addition, Results Act plans and reports should be used by committees to review whether Federal departments and agencies are accomplishing their goals and objectives. They can also be used to identify programs that are overlapping or duplicative and can be used to enforce accountability when goals and objectives are not being met.

The Rules of the House require that committee reports accompanying legislation include a statement of general performance goals and objectives, including outcome-related goals and objectives, for which the measure authorizes funding. Performance goal statements should: (1) describe goals in an objective, quantifiable, and measurable form; (2) describe the resources required to meet the goals; (3) establish performance indicators to measure outputs or outcomes; and (4) provide a basis for comparing actual program results with performance goals.

For example, the International Relations Committee plans to investigate the implementation of the Results Act in the State De-

partment and USAID. According to the January 2003 GAO Report: *Major Management Challenges and Program Risks, U.S. Agency for International Development,* USAID has had problems with performance accountability in the past. A 2001 Department of State Inspector General report stated that all seven audited areas needed improvement in performance monitoring plans.

The Armed Services Committee plans to examine Results Act implementation for the DOD. The GAO found in a January 2003 report that the DOD continues to lack performance measures that tie resource allocation with specific outcomes as required under the Results Act. In fact, DOD did not issue Results Act performance plans for fiscal year 2002 or fiscal year 2003 and has not reported on fiscal year 2001 results.

The Judiciary Committee will review whether regulatory actions usurp congressional authority by having the effect of raising taxes. The Judiciary Committee will also review whether Executive orders are used consistent with the President's executive authority.

LAW ENFORCEMENT

Another important theme within the oversight activities of the Congress is the investigation and prevention of crime and the establishment and implementation of drug policies. Policies currently used by agencies to reduce crime and the availability of illegal drugs should be evaluated for overall effectiveness. For example, the International Relations Committee will oversee the efficient use of funds meant to pursue narcotics reduction objectives. According to the January 2003 GAO Report: *Major Management Challenges and Program Risks, Department of State,* while billions of dollars spent by the United States have resulted in the arrest of drug traffickers and the seizure of illegal drugs, the availability of drugs in the United States has not been materially reduced.

The Judiciary Committee expects to conduct oversight on Federal law enforcements efforts to identify, investigate, and dismantle drug trafficking organizations and to examine the connection between drugs and terrorism. The Department of Justice has established a revised final fiscal year 2003 goal of disrupting or dismantling 90 priority drug trafficking organizations. Attorneys General's 2002 Performance Report.

The Committee on Transportation and Infrastructure will conduct oversight of the Coast Guard's drug interdiction mission to ensure that the Coast Guard's resources are effectively used to reduce the supply of illegal drugs in the United States. The Anti-Drug Abuse Amendments Act of 1988 (Public Law No. 100–690) expanded the Coast Guard's law enforcement authority to include the enforcement of Federal laws above the high seas and waters.

The Committee on Financial Services will conduct oversight of the USA PATRIOT Act (Public Law No. 107–56), and the establishment of the Department of Homeland Security to ensure that anti-money laundering efforts continue. In 2002, the Treasury Department embarked on the largest anti-money laundering regulatory program to date. According to the Treasury Department's Fiscal Year 2002 Performance and Accountability Report, the implementation of the USA PATRIOT Act resulted in the value of monetary instruments seized being 188.7 percent above the projection for fis-

cal year 2002, and the value of property seized being 43.9 percent above the projection for fiscal year 2002.

The Committee on Financial Services will conduct oversight of the efforts to detect and combat counterfeiting of U.S. currency and will monitor the transfer of the Secret Service into the Department of Homeland Security to ensure that the move will not diminish the Service's anti-counterfeiting effectiveness. According to the Treasury Department's Fiscal Year 2002 Performance and Accountability Report, $68 of counterfeit currency was present for every million dollars of genuine currency in circulation. This amount is 15 counterfeit dollars fewer per million dollars than the target goal set for 2002.

The Committee on Financial Services will conduct a broad review that includes the Gramm-Leach-Bliley Act (Public Law No. 106–102) and the Fair Credit Reporting Act, in addition to other financial privacy issues, to determine whether consumers have adequate protection from identity theft and assistance if they should become victims of identity theft. According to a Federal Trade Commission [FTC] report, identity theft comprised 42 percent of the consumer fraud complaints received by the commission in 2001.

CITIZEN SERVICES AND BENEFITS

The Committee on Financial Services will conduct oversight on the implementation of the Gramm-Leach-Bliley Act (Public Law No. 106–102), highlighting the notice requirements for consumers regarding how their personal informational is used and released by private financial institutions. Title V of that act outlines financial privacy requirements for consumers when dealing with private financial institutions.

The Committee on Financial Services will conduct oversight to ensure that the Fair Credit Reporting Act benefits individual consumers and the Nation. On January 1, 2004, certain uniform national provisions of the credit reporting process will expire. Oversight will also be conducted as to the consequence of allowing individual States to set their own fair credit reporting standards. The Fair Credit Reporting Act, which is enforced by the FTC, was enacted to promote accuracy and ensure privacy for information provided in credit reports.

The Committee on Resources will conduct continued oversight on the implementation of the Endangered Species Act of 1973 and the conflicts and inconsistencies in its application to private property and Federal activities. The act was created to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved and to provide a program for the conservation of such endangered species and threatened species.

The Committee on Resources will conduct oversight on these remedial steps to improve the Department of the Interior's Indian Trust account management. The Department of the Interior is responsible for funds which Indian tribes or individual tribal members recover from land or water settlements, treaty provisions, and other sources. The funds are deposited into trust funds managed by the Office of Trust Fund Management. Hundreds of thousands of Indian Trust accounts have not been reconciled and are now sub-

ject of litigation between account owners and the Department of Interior. According to the Department of the Interior's Status Report to the Court No. 12 for October 1, 2002 to December 31, 2002, steps are being taken in order to correct the mismanagement of the Indian Trust accounts, including ordering computer and software equipment to organize and manage the trusts better.

The Committee on Resources will conduct oversight on how to reform the Surface Mining Control and Reclamation Act of 1977 (Public Law No. 95–87) in order to complete the act's reclamation goals and keeping the healthcare promises to retirees. The act created the Abandoned Mine Reclamation Fund, which required operators of coal mines to pay into the fund quarterly fees for coal produced by surface and underground mining, or 10 percent of the value of the coal in the mine, whichever is less. The fee is used for the restoration of pre-1977 abandoned coal mines and to pay premiums for particular coal miners and spouses who were guaranteed healthcare benefits in coal wage agreements signed from 1950 and later. The fee collection authority is set to expire in 2004, although many priority projects remain unfinished.

The Committee on Resources will conduct oversight to ensure that the U.S. Forest Service and Bureau of Land Management's wildfire suppression fleet is upgraded in an expeditious manner. The U.S. Forest Service and Bureau of Land Management empaneled a commission to review the safety of Forest Service and Department of the Interior aviation after a series of plane crashes during the 2002 wildfire season. The December 2002 report stated that the safety record of aircraft and helicopters used in wildfire management is unacceptable. As a result, two types of aircraft were grounded.

The Energy and Commerce Committee will review the FCC's administration of the Universal Service Fund, which will focus on both the services covered by the fund and potential fraud, waste, and abuse of the Schools and Libraries program. The overall fund is $4.5 billion, and the Schools and Libraries portion is $2.25 billion.

The Energy and Commerce Committee will continue to monitor the FCC's implementation of the local competition goals of the 1996 Telecommunications Act (Public Law No. 104–104). A major objective of the act is to provide for a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition (House Report No. 104–458 (1996)).

The Committee on Agriculture will conduct oversight of the Department of Agriculture's implementation of the Farm Security and Rural Investment Act of 2002 (Public Law No. 107–171). The act directs USDA's Secretary to enter into contracts with eligible owners and producers of eligible cropland for both direct and countercyclical payments in crop years 2002 through 2006.

The public must have confidence that the Federal judiciary will uphold the law with integrity and impartiality. The Judiciary Committee will continue to examine the judicial discipline system following the dismissal without further inquiry of substantial evi-

dence of misconduct set forth in a formal complaint by the chairman against Seventh Circuit Senior Judge Richard D. Cudahy and the admission in open court by Minnesota District Judge James Rosenbaum of his knowing imposition of an illegal sentence. *In re: The Judicial Council for the Seventh Circuit,* 294 F.3d 947 (7th Cir. 2002)(regarding Senior Judge Cudahy); House Report No. 107–769, at 29 (2002) (quoting Judge Rosenbaum from a sentencing hearing transcript: "Now that represents an illegal departure").

The Committee on Energy and Commerce will monitor the implementation of improvements to the Medicare program. Medicare program expenditures were approximately $241 billion in fiscal year 2001 and account for one in every eight Federal dollars spent. Over 40 million elderly and disabled Americans receive health care services through this program. Due to the size and complexity of Medicare, the Centers for Medicare & Medicaid Services continue to have difficulty with payment methods so that they reward fiscal discipline and ensuring beneficiary access to care. (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Health and Human Services*).

The Veterans Affairs Committee will investigate inefficiencies with regard to service of beneficiaries, collecting funds from third parties, and evaluating claims from veterans and family members. The January 2003 GAO Report: *Major Management Challenges and Program Risks, Veterans Administration,* stated that inadequate national oversight often hampers the VA's ability to assess the quality and timeliness of the care it provides and limits its ability to identify performance problems and appropriate measures to improve performance.

The Committee on Financial Services will conduct oversight of the Department of Housing and Urban Development's implementation of its Section 8 Housing Project and its consequences. According to GAO in its January 2003 report entitled *Major Management Challenges and Program Risks, Department of Housing and Urban Development,* HUD's Section 8 Project works directly with approximately 22,000 property owners. The program encourages the owners to develop or rehabilitate rental housing for low-income families with rental assistance tied to specific units under an assistance contract wit the project owners. The Section 8 Project consumes over 50 percent of the total HUD discretionary budget each fiscal year.

Although GAO has removed the Department of Housing and Urban Development [HUD] as a high-risk agency, the Committee on Financial Services will conduct comprehensive oversight of HUD's management and staffing initiatives. According to HUD's Fiscal Year 2002 Performance and Accountability Report, HUD has completed implementation of a new staffing resource estimation and allocation system, enhanced staff recruiting, and development and training programs.

The Education and the Workforce Committee will monitor the Department of Education's 601 recommendations to implement internal financial controls directed at fraud, waste and mismanagement in the grants and loan disbursement process, third party draft processes, and government purchase cards. These recommendations were made to address losses, which were estimated

at $450 million before October 2001 (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Education*).

The Education and the Workforce Committee will oversee implementation of the No Child Left Behind Act (Public Law No. 107–110), particularly State and local compliance with accountability and assessment standards. A majority of States had not complied with specific requirements as of March 2001. The Department of Education allocated $2.8 billion in fiscal year 2002 to achieve objectives to link Federal education funding to accountability for results, increase flexibility and local control, increase information and options for parents, and encourage the use of scientifically based methods within Federal education programs (January 2003, GAO Report: *Major Management Challenges and Program Risks, Department of Education; Department of Education Fiscal Year 2002 Performance and Accountability Report*).

The Judiciary Committee will conduct oversight of the billions of dollars of grants managed by the Department of Justice's Office of Justice Programs [OJP]. The Department's Inspector General identified grants management at OJP as one of the Department's Top Ten Management Challenges in a November 8, 2002 memorandum to the Attorney General and the Deputy Attorney General.

The Judiciary Committee will examine the effect of the bankruptcy laws to ensure that protections for employee pensions, wages, and benefits are adequately protected.

The Judiciary Committee will conduct oversight on admissions policies adopted in the wake of affirmative action litigation and referenda in States, such as Washington, Georgia, Texas, Florida, and California. The admissions policies of the University of Michigan and its law school are currently under review by the Supreme Court to determine whether their affirmative action programs are unconstitutional.

The Committee on the Judiciary will conduct oversight on the copyright system to ensure the appropriate balance between protection of copyrighted material from theft by duplication using digital technology and access to consumers of copyrighted materials.

[The oversight plans of all house committees follow:]

U.S. House of Representatives
Committee on Agriculture
Washington, DC 20515

TO: The Honorable Tom Davis, Chairman
House Committee on Government Reform
The Honorable Robert W. Ney, Chairman
House Committee on House Administration
FROM: The Honorable Bob Goodlatte, Chairman
House Committee on Agriculture
DATE: February 14, 2003
SUBJECT: Oversight Plan for the House Committee on Agriculture for the 108th Congress

Pursuant to Rule X, clause 2(d)(1) of the Rules of the U.S. House of Representatives for the 108th Congress, I submit the following plan to fulfill the General Oversight Responsibilities reporting requirements. This outline was prepared in consultation with the Ranking Member, was presented to the full Committee for its consideration, and is now offered for your consideration relative to your responsibilities under the Rules. If you have any questions regarding this outline, do not hesitate to contact me.

OVERSIGHT PLAN
HOUSE COMMITTEE ON AGRICULTURE
108TH CONGRESS

The Committee expects to exercise appropriate oversight activity with regard to the following issues:

2002 FARM BILL AND CURRENT AGRICULTURAL ECONOMIC CONDITIONS:

- The U.S. Department of Agriculture's (USDA) implementation of the Farm Security and Rural Investment Act of 2002;
- Current status U.S farm economy;
- USDA's implementation of the 2003 Crop Loan Rates, Nonrecourse Marketing Assistance Loans and Loan Deficiency Payments;
- Implementation of the Milk Income Loss Contract program authorized in the Farm Security and Rural Investment Act of 2002;
- Review Federal Milk Marketing Order minimum pricing regulations; Operation of specialty crop programs;
- Impact of 2002 and 2003 calendar year weather conditions on 2003 crop production.
- Oversight of implementation of new peanut program, including marketing loan program, direct payments, counter-cyclical payments, and quota compensation payments;
- Oversight of implementation of sugar program, including flexible marketing allotments and Payment in Kind Program; and
- Proposed policy options for a new tobacco program and a buyout of tobacco quota.

FEDERAL CROP INSURANCE AND RISK MANAGEMENT:

- Administration of the Federal Crop Insurance Program, including implementation of crop insurance provisions contained in ARPA of 2000 in light of 2001 and 2002 crop and livestock disasters and continued drought conditions into the 2003 crop year;
- Oversight of RMA and FCIC actions following the demise of American Growers Insurance Company, including analysis of the possible causes of the firm's failure and future problems for the crop insurance industry and its reinsurers and with respect to development of risk management products for livestock producers;
- USDA implementation of statutory provisions designed to reduce crop insurance program waste and improve program integrity;
- Proposed policy options regarding crop insurance options for revenue and gross income protection;
- Implementation of dairy forward contracting pilot project and expansion of the dairy options pilot program; and
- Impact of the Enron fraud and electricity market investigations by the Federal Energy Regulatory Commission and the CFTC.

AGRICULTURAL TRADE:

- The Administration is negotiating the World Trade Organization (WTO) multilateral trade agreement affecting U.S. agriculture. Negotiations continue on the Agricultural Agreement under the Doha Development Agenda. New oversight of possible accession of new countries to the WTO, such as Russia;
- The Administration's plans for new trade agreements with Chile and Singapore, the Free Trade Area of the Americas and bilateral Free Trade Agreements (FTA) with Morocco, Central America, the South African Customs Union and Australia;
- USDA's implementation of the Trade Title of the Farm Security and Rural Investment Act of 2002;
- USDA and USTR's implementation of trade agreements and related issues to ensure compliance of other countries' trade obligations, including:
    - WTO dispute settlement provisions, European Union (EU) issues such as the EU meat hormone ban, use of the U.S. carousel legislation, tariff rate quotas (TRQ), withdrawal of EU TRQ's for grains, biotechnology, EU non-trade concerns, including animal welfare and other societal concerns and import and export state trading enterprises;
    - Issues relating to the North American Free Trade Agreement (NAFTA), including Canada's use of high tariffs for dairy, poultry, eggs, barley, and margarine products and Canadian exports of wheat, barley, and other agricultural commodities into the U.S. Additionally, Mexico's recent actions designed to impair NAFTA trade by imposing antidumping cases on U.S. pork, apples, beef, and rice; sanitary and phytosanitary barriers on grains and meat, and a tax on soft drinks using high fructose corn syrup. Furthermore, issues relating to the implementation of the NAFTA agreement on sugar;

  - Issues relating to China's accession to the WTO, including U.S. concerns with the implementation of tariff rate quotas, acceptance of U.S. biotechnology, and China's use of export subsidies;
  - Issues relating to Russia's actions to revoke import licenses for meat and poultry;
  - Harmonization of sanitary and phytosanitary standards (SPS), including those provided by international organizations and incorporation of new technologies and products into SPS standards;
- Food assistance programs to ensure that program goals are being met in the most recent uses of the program reauthorized in the 2002 Farm Bill, including the Global Food for Education Program, Food for Progress Program, and P.L. 480; and
- Congressional oversight of trade legislation that affects U.S. agriculture, including trade promotion negotiating authority and import sensitive products, sanctions legislation and examination of which markets offer the greatest opportunity to increase sales of U.S. agricultural products.

AGRICULTURAL RESEARCH AND PROMOTION:

- Review implementation of biosecurity protocols at USDA ARS laboratories;
- USDA's implementation of research, education and extension programs authorized in the Farm Security and Rural Investment Act of 2002, the Agricultural Research, Extension, and Education Reform Act of 1998, and the Agricultural Risk Protection Act of 2000;
- Administration of the Agricultural Research Service's research stations and worksites;
- Administration of USDA's agricultural marketing and promotion programs;
- Review USDA's continuing ability to conduct foreign animal disease research, training and diagnostic programs at the Plum Island Animal Disease Center following the transfer of the center to the Department of Homeland Security;
- Federal efforts to facilitate research and development of aquacultural enterprises, specifically focusing on the activities of the Joint Committee on Aquaculture, chaired by the Secretary of Agriculture and including the Secretaries of Interior and Commerce; and
- Implementation of USDA's regulation on organic standards.

CONSERVATION AND THE ENVIRONMENT:

- All changes to current and implementation of new conservation programs created in the 2002 Farm Bill;
- Comparing conservation payments to commodity program payments and their effect of keeping producers profitable;
- Impact of regulatory activities carried out pursuant to the Endangered Species Act, or any proposed legislative changes to such Act, on agricultural producers;
- Oversight of regulatory initiatives undertaken by the EPA, NMFS, and the FWS concerning Endangered Species Act consultations regarding pesticide products regulated under the Federal Insecticide, Fungicide, and Rodenticide Act;
- Impact of EPA's regulatory activity relative to methyl bromide on production agriculture in the U.S.;

- Review of the resource needs of the EPA as they pertain to the collection of pesticide registration, re-registration and tolerance fees;
- Review of the continuing international negotiations concerning implementation of the Stockholm Convention on Persistent Organic Pollutants, the Protocol on Persistent Organic Pollutants to the Convention on Long-Range Transboundary Air Pollution, and the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade;
- EPA's implementation of the Food Quality Protection Act (FQPA);
- Budget and program activities of USDA's Natural Resources Conservation Service (NRCS);
- NRCS implementation of the FSRIA '02 amendments to the Environmental Quality Incentives Program;
- NRCS implementation of the technical service provider assistance provisions of FSRIA '02;
- Review of NRCS's Advance Notice of Proposed Rulemaking of the Conservation Security Program enacted in FSRIA '02;
- Review of USDA's Conservation Reserve and Conservation Reserve Enhancement Program;
- Review of implementation of the EPA's rule on animal feeding operations and its impact on the U.S. livestock industry and the practical uses of the EQIP to ease implementation of the rule;
- Review of EPA's rule on permit trading under the Clean Water Act and its effect on and potential benefits to U.S. agriculture;
- Review implementation of the small watershed rehabilitation act;
- Review of potential impacts of EPA's Clean Air Act regulatory program on U.S. agriculture, including a review of the findings of the National Research Council's final report, Air Emissions from Animal Feeding Operations: Current Knowledge, Future Needs;
- Potential consequences for production agriculture in the U.S. should the mandates contained in the Kyoto Protocol to the United Nations' Framework Convention on Climate Change be implemented by treaty, law or regulation;
- Impact of regulatory activities carried our pursuant to the Endangered Species Act, or any proposed legislative changes to the ESA, on agricultural producers;
- Impact of EPA's regulatory activity relative to methyl bromide on production agriculture in the U.S; and
- Impact of EPA's rule change on wetlands regulation under the Clean Water Act in recognition of the SWANK ruling.

U.S. FOREST SERVICE ADMINISTRATION:

- United States Forest Service (USFS) management of the National Forest System, including the agency's fiscal and financial accountability, strategic planning and performance measurement under the Government Performance and Results Act, efforts to address the nation's declining forest health, and federal laws and regulations affecting the management of private forest lands;
- USFS management of public lands under its jurisdiction, including a review of agency policy governing grazing and other uses of these lands which require users to secure a permit;

- Impacts of implementation delay in last-minute regulations affecting federal lands, including the forest roadless policy, transportation policy, and planning regulations;
- Impact of the Southern Forests Assessment, an interagency study on the sustainability of southern forest practices;
- Review of programs that strengthen and support private forestland management; and
- Review of the USFS/Bureau of Land Management report on co-location and combination of services and operations.

USDA GENERAL ADMINISTRATION:

- Implementation of the Freedom to E-File Act;
- Implementation and streamlining of USDA's Common Computing Environment;
- Administration of USDA operations, including reorganization efforts, administrative convergence, management improvements, compliance with the Government Performance and Results Act, oversight of the National Appeals Division, and the impact on client services;
- Implementation of USDA's Civil Rights settlement; and
- Confidentiality of information provided to USDA by agricultural producers.

FARM CREDIT, RURAL DEVELOPMENT, AND THE RURAL ECONOMY:

- Farm Credit Administration's (FCA) regulatory program and activities regarding the Farm Credit System (FCS) to assure the FCS' safety and soundness;
- Availability of credit to agricultural producers in light of low commodity prices and weather disasters;
- Review of FCA's national charter proposal and its potential effects on the viability of the FCS;
- Review of Farmer Mac activities and programs;
- Implementation of rural development policies and authorities contained in FSRIA '02; and
- Implementation of the local television legislation enacted in FSRIA '02.

WELFARE REFORM AND FOOD NUTRITION PROGRAMS:

- Oversight of the implementation of provisions relating to the food stamp program included in the Farm Security and Rural Investment Act of 2002. These include:
    - Food stamp benefits for non-citizens
    - Increasing the food stamp standard deduction
    - Increasing the transitional food stamp benefits for persons leaving welfare programs
    - Simplification of the food stamp program by states
    - Employment and training programs for food stamp participants;
- Reauthorization of the Temporary Assistance for Needy Families (TANF), including waiver authority for the food stamp program and initiation of the state food assistance block grant demonstration project;

- Implementation and assessment of the state's use of electronic benefits transfer (EBT) systems to improve the distribution of food benefits;
- Effectiveness of state welfare agencies and statutory provisions designed to curb food stamp trafficking and fraud;
- Effectiveness of the reformed food stamp quality control system on reducing overpayments, payments to ineligible participants and underpayments;
- Implementation and monitoring of the funding levels for the Emergency Food Assistance Program (TEFAP), both levels of funding for commodities and for administrative expenses;
- Oversight of other commodity distribution programs and those programs included in the Farm Security and Rural Investment Act of 2002, including:
    - Commodity food projects
    - Commodity supplemental food program
    - Seniors' farmers market nutrition program
    - Commodities for the school lunch program
    - Grants for purchase of locally produced food
    - Fruit and vegetable pilot program
    - Nutrition information and awareness pilot program

  and
- Nutrition monitoring oversight.

FOOD SAFETY:

- USDA's Food Safety Inspection Service's administration of the meat and poultry inspection laws and the Food and Drug Administration's food inspection activities, including seafood and seafood products to ensure that policies and resources are focused on developing scientifically sound systems for food safety assurance;
- USDA's efforts to educate consumers regarding safe food handling practices, the development of pre-exposure and post-exposure interventions to reduce the frequency and severity of food borne illnesses, expanded research and development of pathogen reduction technologies, as well as streamlined, science-based policies relative to assessment and approval of food safety technologies;
- Review implementation of new protocols for meat, poultry, eggs, or seafood safety inspection, including the implementation of Hazard Analysis Critical Control Point pathogen reduction regulation; and
- Impact of lawsuits challenging aspects of food safety inspection modernization efforts including authority to establish and enforce microbiological performance standards and HACCP based inspection models.

PLANT AND ANIMAL HEALTH:

- The issue of new drug development, approval, and availability for animal agriculture as well as the implementation of the Animal Drug Availability Act;
- Review implementation of the Plant Protection Act of 2000;
- Review implementation of the Animal Health Protection Act of 2002;

- Review enforcement of the Animal Welfare Act;
- Federal efforts to reduce threats to human, animal, and plant health due to predatory and invasive species; and
- USDA's management of domestic pest and disease surveillance and eradication programs.

LIVESTOCK MARKETING:

- USDA's implementation of mandatory livestock price reporting;
- USDA's implementation of voluntary Country of Origin Labeling in preparation for mandatory Country of Origin Labeling;
- Effectiveness of the Grain Inspection, Packers and Stockyards Administration (GIPSA) in monitoring the potential for market manipulation in the livestock industry; and
- Concentration of agribusiness and the potential impact on agricultural producers;

HOMELAND SECURITY AND BIOTERRORISM:

- Review the implementation of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 including USDA and HHS joint regulation of select biological agents and toxins; also, protection against adulteration of food, debarment for repeated or serious food import violations, registration of food facilities and other activities;
- USDA's ability to protect, prevent and effectively deal with an attack on agriculture and its infrastructure;
- Oversight of the transfer of the Agricultural Quarantine Inspection responsibility from the USDA to the Department of Homeland Security;
- USDA's management of domestic pest and disease surveillance and eradication programs in light of the transfer of resources to the Department of Homeland Security; and
- USDA's continuing ability to conduct foreign animal disease research, training and diagnostic programs at the Plum Island Animal Disease Center following the transfer of the center to the Department of Homeland Security.

MISCELLANEOUS:

- Adequacy of agricultural labor and the agricultural guest worker program, H2A.

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Congress of the United States
House of Representatives
Committee on Appropriations
Washington, DC 20515–6015

February 11, 2003

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JAMES W. DYER

TELEPHONE:
(202) 225-2771

Hon. Tom Davis
Chairman, Committee on Government Reform
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the Committee on Appropriations, I hereby transmit the Committee's plan for Oversight activities for the 108th Congress. The Committee intends to have an active and productive Congress, reviewing both ongoing governmental activities and analyzing the budget requests in order to reflect the priorities of the American people.

The Committee looks forward to working with all Members of the House of Representatives in order to fulfill our responsibilities under the Rules.

With best regards,

Sincerely,

Chairman

108TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES

COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

R E P O R T

OF

OVERSIGHT PLANS

ONE HUNDRED EIGHTH CONGRESS

PURSUANT TO CLAUSE 2(d)(1) of Rule X

APPROVED FEBRUARY 11, 2003

U.S. GOVERNMENT PRINTING OFFICE
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COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

108th Congress

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LETTER OF TRANSMITTAL

FEBRUARY 11, 2003

Hon. TOM DAVIS,
Chairman, Committee on Government Reform,
House of Representatives,
Washington, DC.

Hon. ROBERT W. NEY,
Chairman, Committee on House Administration,
House of Representatives,
Washington, DC.

DEAR MR. CHAIRMEN: On behalf of the Committee on Appropriations, I hereby transmit the Committee's plan for Oversight activities for the 108th Congress. The Committee intends to have an active and productive Congress, reviewing both ongoing governmental activities and analyzing the Budget requests in order to reflect the priorities of the American people.

The Committee looks forward to working with all Members of the House of Representatives in order to fulfill our responsibilities under the Rules.

With best regards,

Sincerely,

C. W. BILL YOUNG, *Chairman*

108TH CONGRESS } HOUSE OF REPRESENTATIVES
1st Session }

REPORT OF OVERSIGHT PLANS OF THE HOUSE COMMITTEE ON APPROPRIATIONS

APPROVED FEBRUARY 11, 2003

Mr. YOUNG of Florida, from the Committee on Appropriations, submitted to the Committee on Government Reform and the Committee on House Administration the following

REPORT

OVERSIGHT PLANS OF THE HOUSE COMMITTEE ON APPROPRIATIONS

Clause 2(d)(1) of Rule X of the Rules of the House requires each standing committee of the House to adopt oversight plans at the beginning of each Congress. Specifically, the Rule states in part:

> "Rule X, clause (2)(d)(1). Not later than February 15 of the first session of a Congress, each standing committee shall, in a meeting that is open to the public and with a quorum present, adopt its oversight plan for that Congress. Such plan shall be submitted simultaneously to the Committee on Government Reform and to the Committee on House Administration."

JURISDICTION OF THE COMMITTEE ON APPROPRIATIONS

Rule X of the Rules of the House vests in the Committee on Appropriations broad responsibility over the Federal budget. Specifically the Rule defines the Committee's jurisdiction, as follows:

> "Rule X clause (b). Committee on Appropriations.
>
> (1) Appropriation of the revenue for the support of the Government.
>
> (2) Rescissions of appropriations contained in appropriations Acts.
>
> (3) Transfers of unexpected balances.

(4) Bills and joint resolutions reported by other committees that provide new entitlement authority as defined in section 3(9) of the Congressional Budget Act of 1974 and referred to the committee under clause 4(a)(2)."

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GENERAL OVERSIGHT RESPONSIBILITIES

2. (a) The various standing committees shall have general oversight responsibilities as provided in paragraph (b) in order to assist the House in—

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of Federal laws; and (B) conditions and circumstances that may indicate the necessity or desirability of enacting new or additional legislation; and

(2) its formulation, consideration, and enactment of such changes in Federal laws, and of such additional legislation, as may be necessary or appropriate.

(b)(1) In order to determine whether laws and programs addressing subjects within the jurisdiction of a committee are being implemented and carried out in accordance with the intent of Congress and whether they should be continued, curtailed, or eliminated, each standing committee (other than the Committee on Appropriations) shall review and study on a continuing basis—

(A) the application, administration, execution, and effectiveness of laws and programs addressing subjects within its jurisdiction;

(B) the organization and operation of Federal agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within its jurisdiction;

(C) any conditions or circumstances that may indicate the necessity or desirability of enacting new or additional legislation addressing subjects within its jurisdiction (whether or not a bill or resolution has been introduced with respect thereto);

(D) future research and forecasting on subjects within its jurisdiction; and

(E) specific problems with Federal rules, regulations, statutes, and court decisions that are ambiguous, arbitrary, or nonsensical, or that impose severe financial burdens on individuals.

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SPECIAL OVERSIGHT FUNCTIONS

3. (a) The Committee on Appropriations shall conduct such studies and examinations of the organization and operation of executive departments and other executive agencies (including any agency the majority of the stock of which is owned by the United States) as it considers necessary to assist it in the determination of matters within its jurisdiction.

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ADDITIONAL FUNCTIONS OF COMMITTEES

4. (a)(1)(A) The Committee on Appropriations shall, within 30 days after the transmittal of the budget to Congress each year, hold hearings on the budget as a whole with particular reference to—

(i) the basic recommendations and budgetary policies of the President in the presentation of the budget; and

(ii) the fiscal, financial, and economic assumptions used as bases in arriving at total estimated expenditures and receipts.

(B) In holding hearings under subdivision (A), the Committee shall receive testimony from the Secretary of the Treasury, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and such other persons as the Committee may desire.

(C) A hearing under subdivision (A), or any part thereof, shall be held in open session, except when the committee, in open session and with a quorum present, determines by record vote that the testimony to be taken at that hearing on that day may be related to a matter of national security. The committee may by the same procedure close one subsequent day of hearing. A transcript of all such hearings shall be printed and a copy thereof furnished to each Member, Delegate, and the Resident Commissioner.

(D) A hearing under subdivision (A), or any part thereof, may be held before a joint meeting of the Committee and the Committee on Appropriations of the Senate in accordance with such procedures as the two committees jointly may determine.

(2) Pursuant to section 401(b)(2) of the Congressional Budget Act of 1974, when a committee reports a bill or joint resolution that provides new entitlement authority as defined in section 3(9) of that Act, and enactment of the bill or joint resolution, as reported, would cause a breach of the committee's pertinent allocation of new budget authority under section 302(a) of that Act, the bill or joint resolution may be referred to the Committee on Appropriations with instruction to report it with recommendations (which may include an amendment limiting the total amount of new entitlement authority provided in the bill or joint resolution). If the Committee on Appropriations fails to report a bill or joint resolution so referred within 15 calendar days (not counting any day on which the House is not in session), the committee automatically shall be discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed on the appropriate calendar.

(3) In addition, the Committee on Appropriations shall study on a continuing basis those provisions of law that (on the first day of the first fiscal year for which the congressional budget process is effective) provide spending authority or permanent budget authority and shall report to the House from time to time its recommendations for terminating or modifying such provisions.

(4) In the manner provided by section 302 of the Congressional Budget Act of 1974, the Committee on Appropriations (after consulting with the Committee on Appropriations of the Senate) shall subdivide any allocations made to it in the joint

explanatory statement accompanying the conference report on such concurrent resolution, and promptly report the subdivisions to the House as soon as practicable after a concurrent resolution on the budget for a fiscal year is agreed to.

Rule XIII of the Rules of the House prescribes special reporting requirements of the Committee on Appropriations. Specifically Rule XIII, clause 3(f) states:

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CONTENT OF REPORTS

"(f)(1) A report of the Committee on Appropriations on a general appropriation bill shall include—

(A) a concise statement describing the effect of any provision of the accompanying bill that directly or indirectly changes the application of existing law; and

(B) a list of all appropriations contained in the bill for expenditures not previously authorized by law (except classified intelligence or national security programs, projects, or activities).

(2) Whenever the Committee on Appropriations reports a bill or joint resolution including matter specified in clause 1(b)(2) or (3) of rule X, it shall include—

(A) in the bill or joint resolution, separate headings for "Rescissions" and "Transfers of Unexpended Balances"; and

(B) in the report of the committee, a separate section listing such rescissions and transfers."

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OVERSIGHT PLAN

The Committee on Appropriations takes seriously its responsibility to conduct oversight of Government agencies and programs. This function is carried out by the Committee throughout the year at many levels of investigation and examination. For the 108th Congress the Committee intends to proceed in the following manner:

1. *Subcommittee Hearings.* The Appropriations Committee has a long tradition of in-depth analysis of the President's pending budget as well as analysis of the effective use of previously appropriated resources. For example, during the 107th Congress the Committee on Appropriations held 365 hearings, took testimony from 4,014 witnesses, and published 160 volumes of hearings totaling 174,748 pages. This level of oversight and investigation will continue during this Congress.

2. *Investigations.* In addition to formal oversight, the Committee utilizes various investigative agencies to conduct in-depth analysis of specific problem areas. These investigations are conducted by the Committee's own Surveys and Investigations Staff, the General Accounting Office, and the Congressional Research Service. In the previous Congress, the Committee received 47 Surveys and Investigations studies and 186 investigative reports from the GAO.

3. *Appropriations Bills.* The ultimate exercise of oversight is the "power of the purse" which the Committee takes as its highest responsibility. This allocation of scarce Federal dollars demands strict compliance with all budgetary concepts and strictures. The Committee intends to follow the requirements of the Congressional Budget with regard to the subdivision of budget authority and outlays to the 13 subcommittees. Appropriations bills will be developed in accordance with the results of all the oversight activities in paragraphs 1 and 2, above and brought to the floor for consideration within all relevant budgetary constraints.

U.S. House of Representatives

Committee on Appropriations

COMMITTEE RULES

EFFECTIVE FOR

ONE HUNDRED EIGHTH CONGRESS

APPROVED FEBRUARY 11, 2003

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

108TH CONGRESS

C. W. BILL YOUNG, Florida, *Chairman*

RALPH REGULA, Ohio
JERRY LEWIS, California
HAROLD ROGERS, Kentucky
FRANK R. WOLF, Virginia
JIM KOLBE, Arizona
JAMES T. WALSH, New York
CHARLES H. TAYLOR, North Carolina
DAVID L. HOBSON, Ohio
ERNEST J. ISTOOK, JR., Oklahoma
HENRY BONILLA, Texas
JOE KNOLLENBERG, Michigan
JACK KINGSTON, Georgia
RODNEY P. FRELINGHUYSEN, New Jersey
ROGER F. WICKER, Mississippi
GEORGE R. NETHERCUTT, JR., Washington
RANDY "DUKE" CUNNINGHAM, California
TODD TIAHRT, Kansas
ZACH WAMP, Tennessee
TOM LATHAM, Iowa
ANNE M. NORTHUP, Kentucky
ROBERT B. ADERHOLT, Alabama
JO ANN EMERSON, Missouri
KAY GRANGER, Texas
JOHN E. PETERSON, Pennsylvania
VIRGIL H. GOODE, JR., Virginia
JOHN T. DOOLITTLE, California
RAY LAHOOD, Illinois
JOHN E. SWEENEY, New York
DAVID VITTER, Louisiana
DON SHERWOOD, Pennsylvania
DAVE WELDON, Florida
MICHAEL K. SIMPSON, Idaho
JOHN ABNEY CULBERSON, Texas
MARK STEVEN KIRK, Illinois
ANDER CRENSHAW, Florida

DAVID R. OBEY, Wisconsin
JOHN P. MURTHA, Pennsylvania
NORMAN D. DICKS, Washington
MARTIN OLAV SABO, Minnesota
STENY H. HOYER, Maryland
ALAN B. MOLLOHAN, West Virginia
MARCY KAPTUR, Ohio
PETER J. VISCLOSKY, Indiana
NITA M. LOWEY, New York
JOSÉ E. SERRANO, New York
ROSA L. DELAURO, Connecticut
JAMES P. MORAN, Virginia
JOHN W. OLVER, Massachusetts
ED PASTOR, Arizona
DAVID E. PRICE, North Carolina
CHET EDWARDS, Texas
ROBERT E. "BUD" CRAMER, JR., Alabama
PATRICK J. KENNEDY, Rhode Island
JAMES E. CLYBURN, South Carolina
MAURICE D. HINCHEY, New York
LUCILLE ROYBAL-ALLARD, California
SAM FARR, California
JESSE L. JACKSON, JR., Illinois
CAROLYN C. KILPATRICK, Michigan
ALLEN BOYD, Florida
CHAKA FATTAH, Pennsylvania
STEVEN R. ROTHMAN, New Jersey
SANFORD D. BISHOP, JR., Georgia
MARION BERRY, Arkansas

JAMES W. DYER, *Clerk and Staff Director*

U.S. House of Representatives

Committee on Appropriations

COMMITTEE RULES

EFFECTIVE FOR ONE HUNDRED EIGHTH CONGRESS

APPROVED FEBRUARY 11, 2003

RESOLVED, That the rules and practices of the Committee on Appropriations, House of Representatives, in the One Hundred Seventh Congress, except as otherwise provided hereinafter, shall be and are hereby adopted as the rules and practices of the Committee on Appropriations in the One Hundred Eighth Congress.

The foregoing resolution adopts the following rules:

Sec. 1: Power to Sit and Act

For the purpose of carrying out any of its functions and duties under Rules X and XI of the Rules of the House of Representatives, the Committee or any of its subcommittees is authorized:

(a) To sit and act at such times and places within the United States whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(b) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, reports, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman, or any Member designated by the Chairman, may administer oaths to any witness.

(c) A subpoena may be authorized and issued by the Committee or its subcommittees under subsection 1 (b) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee voting, a majority being present. The power to authorize and issue subpoenas under subsection 1 (b) may be delegated to the Chairman pursuant to such rules and under such limitations as the Committee may prescribe. Authorized subpoenas shall be signed by the Chairman or by any Member designated by the Committee.

(d) Compliance with any subpoena issued by the Committee or its subcommittees may be enforced only as authorized or directed by the House.

Sec. 2: Subcommittees

(a) The Majority Caucus of the Committee shall establish the number of subcommittees and shall determine the jurisdiction of each subcommittee.

(b) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee all matters referred to it.

(c) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the Majority Members of the full Committee, consideration is to be by the full Committee.

(d) The Majority Caucus of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee. The Chairman is authorized to negotiate that ratio with the Minority; *Provided, however,* That party representation in each subcommittee, including ex-officio members, shall be no less favorable to the Majority than the ratio for the full Committee.

(e) The Chairman and Ranking Minority Member of the full Committee are authorized to sit as a member of all subcommittees and to participate, including voting, in all its work.

Sec. 3: Staffing

(a) **Committee Staff**—The Chairman is authorized to appoint the staff of the Committee, and make adjustments in the job titles and compensation thereof subject to the maximum rates and conditions established in Clause 9(c) of Rule X of the Rules of the House of Representatives. In addition, he is authorized, in his discretion, to arrange for their specialized training. The Chairman is also authorized to employ additional personnel as necessary.

(b) **Assistants to Members**—Each of the top twenty-one senior majority and minority Members of the full Committee may select and designate one staff member who shall serve at the pleasure of that Member. Such staff members shall be compensated at a rate, determined by the Member, not to exceed 75 per centum of the maximum established in Clause 9 (c) of Rule X of the Rules of the House of Representatives; *Provided,* That Members designating staff members under this subsection must specifically certify by letter to the Chairman that the employees are needed and will be utilized for Committee work.

Sec. 4: Committee Meetings

(a) **Regular Meeting Day**—The regular meeting day of the Committee shall be the first Wednesday of each month while the House is in session, unless the Committee has met within the past 30 days or the Chairman considers a specific meeting unnecessary in the light of the requirements of the Committee business schedule.

(b) **Additional and Special Meetings:**

(1) The Chairman may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purpose pursuant to that call of the Chairman.

(2) If at least three Committee Members desire that a special meeting of the Committee be called by the Chairman, those Members may file in the Committee Offices a written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Upon the filing of the request, the Committee Clerk shall notify the Chairman.

(3) If within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within seven calendar days after the filing of the request, a majority of the Committee Members may file in the Committee Offices their written notice that a special meeting will be held, specifying the date and hour of such meeting, and the measure or matter to be considered. The Committee shall meet on that date and hour.

(4) Immediately upon the filing of the notice, the Committee Clerk shall notify all Committee Members that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered. Only the measure or matter specified in that notice may be considered at the special meeting.

(c) **Vice Chairman To Preside in Absence of Chairman**—A member of the majority party on the Committee or subcommittee thereof designated by the Chairman of the full Committee shall be vice chairman of the Committee or subcommittee, as the case may be, and shall preside at any meeting during the temporary absence of the chairman. If the chairman and vice chairman of the Committee or subcommittee are not present at any meeting of the Committee or subcommittee, the ranking member of the majority party who is present shall preside at that meeting.

(d) **Business Meetings:**

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee and its subcommittees shall be open to the public except when the Committee or its subcommittees, in open session and with a majority present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed.

(2) No person other than Committee Members and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed.

(e) **Committee Records:**

(1) The Committee shall keep a complete record of all Committee action, including a record of the votes on any question on which a roll call is demanded. The result of each roll call vote shall be available for inspection by the public during regular business hours in the Committee Offices. The information made available for public inspection shall include a description of the amendment, motion, or other proposition, and the name of each Member voting for and each Member voting against, and the names of those Members present but not voting.

(2) All hearings, records, data, charts, and files of the Committee shall be kept separate and distinct from the congressional office records of the Chairman of the Committee. Such records shall be the property of the House, and all Members of the House shall have access thereto.

(3) The records of the Committee at the National Archives and Records Administration shall be made available in accordance with Rule VII of the Rules of the House, except that the Committee authorizes use of any record to which Clause 3 (b)(4) of Rule VII of the Rules of the House would otherwise apply after such record has been in existence for 20 years. The Chairman shall notify the Ranking Minority Member of any decision, pursuant to Clause 3 (b)(3) or Clause 4 (b) of Rule VII of the Rules of the House, to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination upon the written request of any Member of the Committee.

Sec. 5: Committee and Subcommittee Hearings

(a) **Overall Budget Hearings**—Overall budget hearings by the Committee, including the hearing required by Section 242 (c) of the Legislative Reorganization Act of 1970 and Clause 4 (a)(1) of Rule X of the Rules of the House of Representatives shall be conducted in open session except when the Committee in open session and with a majority present, determines by roll call vote that the testimony to be taken at that hearing on that day may be related to a matter of national security; except that the Committee may by the same procedure close one subsequent day of hearing. A transcript of all such hearings shall be printed and a copy furnished to each Member, Delegate, and the Resident Commissioner from Puerto Rico.

(b) **Other Hearings:**

(1) All other hearings conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee in open session and with a majority present determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or Rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present at a hearing conducted by the Committee or any of its subcommittees, there being in attendance the number required under Section 5 (c) of these Rules to be present for the purpose of taking testimony, (1) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Clause 2 (k)(5) of Rule XI of the Rules of the House of Representatives or (2) may vote to close the hearing, as provided in Clause 2 (k)(5) of such Rule. No Member of the House of Representatives may be excluded from nonparticipatory attendance at any hearing of the Committee or its subcommittees unless the House of Representatives shall by majority vote authorize the Committee or any of its subcommittees, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subsection for closing hearings to the public; *Provided, however,* That the Committee or its subcommittees may by the same procedure vote to close five subsequent days of hearings.

(2) Subcommittee chairmen shall coordinate the development of schedules for meetings or hearings after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings.

(3) Each witness who is to appear before the Committee or any of its subcommittees as the case may be, insofar as is practicable, shall file in advance of such appearance, a written statement of the proposed testimony and shall limit the oral presentation at such appearance to a brief summary, except that this provision shall not apply to any witness appearing before the Committee in the overall budget hearings.

(4) Each witness appearing in a nongovernmental capacity before the Committee, or any of its subcommittees as the case may be, shall to the greatest extent practicable, submit a written statement including a curriculum vitae and a disclosure of the amount and source (by agency and program) of any Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness.

(c) **Quorum for Taking Testimony**—The number of Members of the Committee which shall constitute a quorum for taking testimony and receiving evidence in any hearing of the Committee shall be two.

(d) **Calling and Interrogation of Witnesses:**

(1) The Minority Members of the Committee or its subcommittees shall be entitled, upon request to the Chairman or subcommittee chairman, by a majority of them before completion of any hearing, to call witnesses selected by the Minority to testify with respect to the matter under consideration during at least one day of hearings thereon.

(2) The Committee and its subcommittees shall observe the five-minute rule during the interrogation of witnesses until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question the witness.

(e) **Broadcasting and Photographing of Committee Meetings and Hearings**—Whenever a hearing or meeting conducted by the full Committee or any of its subcommittees is open to the public, those proceedings shall be open to coverage by television, radio, and still photography, as provided in Clause (4)(f) of Rule XI of the Rules of the House of Representatives. Neither the full Committee Chairman or Subcommittee Chairman shall limit the number of television or still cameras to fewer than two representatives from each medium.

(f) **Subcommittee Meetings**—No subcommittee shall sit while the House is reading an appropriation measure for amendment under the five-minute rule or while the Committee is in session.

(g) **Public Notice of Committee Hearings**—The Chairman of the Committee shall make public announcement of the date, place, and subject matter of any Committee or subcommittee hearing at least one week before the commencement of the hearing. If the Chairman of the Committee or subcommittee, with the concurrence of the ranking minority member of the Committee or respective subcommittee, determines there is good cause to begin the hearing sooner, or if the Committee or subcommittee so determines by majority vote, a quorum being present for the transaction of business, the Chairman or subcommittee chairman shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest and promptly entered into the Committee scheduling service of the House Information Systems.

Sec. 6: Procedures for Reporting Bills and Resolutions

(a) **Prompt Reporting Requirement:**

(1) It shall be the duty of the Chairman to report, or cause to be reported promptly to the House any bill or resolution approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, a report on a bill or resolution which the Committee has approved shall be filed within seven calendar days (exclusive of days in which the House is not in session) after the day on which there has been filed with the Committee Clerk a written request, signed by a majority of Committee Members, for the reporting of such bill or resolution. Upon the filing of any such request, the Committee Clerk shall notify the Chairman immediately of the filing of the request. This subsection does not apply to the reporting of a regular appropriation bill or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(b) **Presence of Committee Majority**—No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(c) **Roll Call Votes**—With respect to each roll call vote on a motion to report any measure or matter of a public character, and on any amendment offered to the measure of matter, the total number of votes cast for and against, and the names of those Members voting for and against, shall be included in the Committee report on the measure or matter.

(d) **Compliance With Congressional Budget Act**—A Committee report on a bill or resolution which has been approved by the Committee shall include the statement required by Section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the bill or resolution provides new budget authority.

(e) **Constitutional Authority Statement**—Each report of the committee on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

(f) **Changes in Existing Law**—Each Committee report on a general appropriation bill shall contain a concise statement describing fully the effect of any provision of the bill which directly or indirectly changes the application of existing law.

(g) **Rescissions and Transfers**—Each bill or resolution reported by the Committee shall include separate headings for rescissions and transfers of unexpended balances with all proposed rescissions and transfers listed therein. The report of the Committee accompanying such a bill or resolution shall include a separate section with respect to such rescissions or transfers.

(h) **Listing of Unauthorized Appropriations**—Each Committee report on a general appropriations bill shall contain a list of all appropriations contained in the bill for any expenditure not previously authorized by law (except for classified intelligence or national security programs, projects, or activities) along with a statement of the last year for which such expenditures were authorized, the level of expenditures authorized for that year, the actual level of expenditures for that year, and the level of appropriations in the bill for such expenditures.

(i) **Supplemental or Minority Views:**

(1) If, at the time the Committee approves any measure or matter, any Committee Member gives notice of intention to file supplemental, minority, or additional views, the Member shall be entitled to not less than two additional calendar days after the day of such notice (excluding Saturdays, Sundays, and legal holidays) in which to file such views in writing and signed by the Member, with the Clerk of the Committee. All such views so filed shall be included in and shall be a part of the report filed by the Committee with respect to that measure or matter.

(2) The Committee report on that measure or matter shall be printed in a single volume which—

(i) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(ii) shall have on its cover a recital that any such supplemental, minority, or additional views are included as part of the report.

(3) Subsection (i)(1) of this section, above, does not preclude—

(i) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by such subsection; or

(ii) the filing by the Committee of a supplemental report on a measure or matter which may be required for correction of any technical error in a previous report made by the Committee on that measure or matter.

(4) If, at the time a subcommittee approves any measure or matter for recommendation to the full Committee, any Member of that subcommittee who gives notice of intention to offer supplemental, minority, or additional views shall be entitled, insofar as is practicable and in accordance with the printing requirements as determined by the subcommittee, to include such views in the Committee Print with respect to that measure or matter.

(j) **Availability of Reports**—A copy of each bill, resolution, or report shall be made available to each Member of the Committee at least three calendar days (excluding Saturdays, Sundays, and legal holidays) in advance of the date on which the Committee is to consider each bill, resolution, or report; *Provided,* That this subsection may be waived by agreement between the Chairman and the Ranking Minority Member of the full Committee.

(k) **Performance Goals and Objectives**—Each Committee report shall contain a statement of general performance goals and objectives, including outcome-related goals and objectives, for which the measure authorizes funding.

Sec. 7: Voting

(a) No vote by any Member of the Committee or any of its subcommittees with respect to any measure or matter may be cast by proxy.

(b) The vote on any question before the Committee shall be taken by the yeas and nays on the demand of one-fifth of the Members present.

(c) The Chairman of the Committee and any of its subcommittees may—

(1) postpone further proceedings when a record vote is ordered on the question of approving a measure or matter or on adopting an amendment;

(2) resume proceedings on a postponed question at any time after reasonable notice.

When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

Sec. 8: Studies and Examinations

The following procedure shall be applicable with respect to the conduct of studies and examinations of the organization and operation of Executive Agencies under authority contained in Section 202 (b) of the Legislative Reorganization Act of 1946 and in Clause (3)(a) of Rule X of the Rules of the House of Representatives:

(a) The Chairman is authorized to appoint such staff and, in his discretion, arrange for the procurement of temporary services of consultants, as from time to time may be required.

(b) Studies and examinations will be initiated upon the written request of a subcommittee which shall be reasonably specific and definite in character, and shall be initiated only by a majority vote of the subcommittee, with the chairman of the subcommittee and the ranking minority member thereof participating as part of such majority vote. When so initiated such request shall be filed with the Clerk of the Committee for submission to the Chairman and the Ranking Minority Member and their approval shall be required to make the same effective. Notwithstanding any action taken on such request by the chairman and ranking minority member of the subcommittee, a request may be approved by a majority of the Committee.

(c) Any request approved as provided under subsection (b) shall be immediately turned over to the staff appointed for action.

(d) Any information obtained by such staff shall be reported to the chairman of the subcommittee requesting such study and examination and to the Chairman and Ranking Minority Member, shall be made available to the members of the subcommittee concerned, and shall not be released for publication until the subcommittee so determines.

(e) Any hearings or investigations which may be desired, aside from the regular hearings on appropriation items, when approved by the Committee, shall be conducted by the subcommittee having jurisdiction over the matter.

Sec. 9: Official Travel

(a) The chairman of a subcommittee shall approve requests for travel by subcommittee members and staff for official business within the jurisdiction of that subcommittee. The ranking minority member of a subcommittee shall concur in such travel requests by minority members of that subcommittee and the Ranking Minority Member shall concur in such travel requests for Minority Members of the Committee. Requests in writing covering the purpose, itinerary, and dates of proposed travel shall be submitted for final approval to the Chairman. Specific approval shall be required for each and every trip.

(b) The Chairman is authorized during the recess of the Congress to approve travel authorizations for Committee Members and staff, including travel outside the United States.

(c) As soon as practicable, the Chairman shall direct the head of each Government agency concerned not to honor requests of subcommittees, individual Members, or staff for travel, the direct or indirect expenses of which are to be defrayed from an executive appropriation, except upon request from the Chairman.

(d) In accordance with Clause 8 of Rule X of the Rules of the House of Representatives and Section 502 (b) of the Mutual Security Act of 1954, as amended, local currencies owned by the United States shall be available to Committee Members and staff engaged in carrying out their official duties outside the United States, its territories, or possessions. No Committee Member or staff member shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(e) **Travel Reports:**

(1) Members or staff shall make a report to the Chairman on their travel, covering the purpose, results, itinerary, expenses, and other pertinent comments.

(2) With respect to travel outside the United States or its territories or possessions, the report shall include: (1) an itemized list showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, and any funds expended for any other official purpose; and (2) a summary in these categories of the total foreign currencies and/or appropriated funds expended. All such individual reports on foreign travel shall be filed with the Chairman no later than sixty days following completion of the travel for use in complying with reporting requirements in applicable Federal law, and shall be open for public inspection.

(3) Each Member or employee performing such travel shall be solely responsible for supporting the amounts reported by the Member or employee.

(4) No report or statement as to any trip shall be publicized making any recommendations in behalf of the Committee without the authorization of a majority of the Committee.

(f) Members and staff of the Committee performing authorized travel on official business pertaining to the jurisdiction of the Committee shall be governed by applicable laws or regulations of the House and of the Committee on House Administration pertaining to such travel, and as promulgated from time to time by the Chairman.

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COMMITTEE ON ARMED SERVICES

U.S. House of Representatives

Washington, DC 20515–6035

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ROBERT S. RANGEL, STAFF DIRECTOR

February 11, 2003

Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Davis:

Pursuant to House Rule X, I am forwarding you an electronic and paper copy of the House Armed Services Committee's Oversight Plan for the 108th Congress, as approved by the Committee on Wednesday, February 5, 2003.

Thank you for your attention to this important matter, and I look forward to working with you in the 108th Congress.

With best wishes.

Sincerely,

Duncan Hunter
Chairman

DH:al
Enclosures

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON ARMED SERVICES

108th Congress

Oversight Plan

This oversight plan is filed pursuant to clause 2(d) of rule X of the Rules of the House of Representatives which requires that, not later than February 15 of the first session of a Congress, each standing committee of the House shall adopt its oversight plan for that Congress.

Introduction

The oversight responsibilities of the Committee on Armed Services will be conducted primarily within the context of the committee's consideration of the annual defense authorization bill. This legislation covers the breadth of the operations of the Department of Defense as well as a significant portion of the annual operating budget of the Department of Energy. The annual national defense function budget of approximately $393 billion involves millions of military and civilian personnel, thousands of facilities, and hundreds of agencies, departments, and commands located throughout the world. The committee will continue to perform general oversight of the structure and management of the Department of Defense and related topics.

The committee conducts continuous oversight of laws, programs, and agencies under permanent authority in Titles 10 (Armed Forces), 32 (National Guard), 37 (Pay and Allowances), 42 (Atomic Energy), and 50 (War and National Defense), United States Code, which are within its jurisdiction.

The jurisdiction of the committee, pursuant to clause 2(c) of rule X of the Rules of the House of Representatives is as follows:

1. Ammunition depots; forts; arsenals; Army, Navy, and Air Force reservations and establishments.
2. Common defense generally.
3. Conservation, development, and use of naval petroleum and oil shale reserves.
4. The Department of Defense generally, including the Departments of the Army, Navy, and Air Force generally.
5. Interoceanic canals generally, including measures relating to the maintenance, operation, and administration of interoceanic canals.
6. Merchant Marine Academy, and State Merchant Marine Academies.
7. Military applications of nuclear energy.
8. Tactical intelligence and intelligence related activities (TIARA) of the Department of Defense.

9. National security aspects of merchant marine, including financial assistance for the construction and operation of vessels, the maintenance of the U.S. shipbuilding and ship repair industrial base, cabotage, cargo preference, and merchant marine officers and seamen as these matters relate to national security.
10. Pay, promotion, retirement, and other benefits and privileges of members of the armed services.
11. Scientific research and development in support of the armed services.
12. Selective service.
13. Size and composition of the Army, Navy, Marine Corps, and Air Force.
14. Soldiers' and sailors' homes.
15. Strategic and critical materials necessary for the common defense.

In addition to its legislative jurisdiction and general oversight function, the committee has special oversight functions with respect to international arms control and disarmament and the education of military dependents in schools pursuant to clause 3(g) of rule X of the Rules of the House of Representatives.

Oversight Agenda

The committee will continue its oversight and assessment of threats to U.S. national security. The committee will regularly assess national security threats and challenges as it begins consideration of the fiscal year 2004 and fiscal year 2005 defense budget requests. This effort will involve appropriate oversight hearings with the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the individual service secretaries and chiefs of staff, combatant commanders, other officials of the Department of Defense and the military departments, officials of the Central Intelligence Agency and other defense-related intelligence agencies, and the Secretary of Energy, the Under Secretary for Nuclear Security and other officials of the Department of Energy. In addition, the committee will invite the views and perspectives of outside experts in academia, industry, associations, and those in private life on these matters.

The oversight agenda below, unless otherwise noted, is designed to support the consideration by the committee and, ultimately, the House of Representatives of the annual defense authorization bill as well as the committee's broader oversight responsibilities. The issues identified below are expected to be on-going areas of oversight activity throughout the 108th Congress. In addition, the committee will continue to pay particular attention to the mandates placed on executive departments and agencies by Public Law 103-62, the Government Performance and Results Act of 1993. The committee will examine closely the progress of the Department of Defense, the military departments, and the Department of Energy in implementing Public Law 103-62, to include the use of performance-based budgeting techniques and five-year strategic planning documents, for programs within its jurisdiction. In this context, pursuant to clause 2(d)(1) of rule X of the Rules of the House of Representatives, the committee will also examine relevant rules, regulations, statutes, and court decisions affecting the Department of Defense and the Department of Energy for their effects on efficiency and good management practices.

Given the unique nature of national security issues and related oversight of the armed forces, the committee reiterates that the oversight agenda is subject to the emergence of unforeseen events that may displace previously planned activities. Such events significantly complicate the ability to prescribe with great accuracy or specificity the entire oversight agenda of the committee. For instance, the oversight of defense activities by the committee has historically involved in-depth assessments of military operations and other major events that are generally difficult to predict in advance. Most recently, the committee conducted extensive oversight into the aftermath of the events of September 11, 2001, paying particular attention to the conduct of the war on terrorism, force protection of military personnel, equipment and installations. Additionally, the committee has examined the United States' increasingly uneasy relations with Iraq and is concerned with the disturbing and evolving situation in North Korea, especially with regard to its nuclear weapons and missile programs. Other examples of past, unanticipated oversight include the terrorist bombing attack on the *U.S.S. Cole* in Aden, Yemen and the deployment of U.S. ground forces to Bosnia. The breadth and demands of these reviews are such that they can dominate committee and staff resources, sometimes at the expense of other planned activities. The continuing unsettled nature of the post-September 11 world is such that the committee fully expects that this type of event-driven oversight will continue to be required and will inevitably have an impact upon other planned oversight activities.

In addition, the committee has a long tradition of translating oversight activities into prescriptive legislative action as reflected in past comprehensive efforts to provide for concurrent receipt of retirement and disability benefits for veterans with qualifying combat related disabilities, to reform the military retirement system, the Goldwater-Nichols Department of Defense Reorganization Act, the Federal Acquisition Workforce Improvement Act, the Federal Acquisition Streamlining Act of 1994, the Federal Acquisition Reform Act of 1996, the establishment of the National Nuclear Security Administration and related reform of the management of the national security programs of the Department of Energy, and reform of the military health care system. Additionally, the committee has taken an active role in the reauthorization of the Export Administration Act and expects to continue that effort in the 108th Congress. The committee will continue to maintain a strong linkage between formal oversight efforts and legislative initiatives.

In addition to the above, the following specific areas and subjects are identified for special attention during the 108th Congress:

POLICY ISSUES

National Military Strategy and Other Defense Policy Issues

Particular attention will be given, but not limited, to the following: the adequacy of active and reserve component force structure and end strength to carry out the national

military strategy of the United States; Department of Defense efforts to convert lower priority military personnel spaces to higher priority requirements; an examination of initiatives to enhance guard and reserve forces and the integration of active and reserve components; a continuing assessment of the role of contingency operations in the execution of the national military strategy and the force structure required to sustain such operations; implementation of the National Military Strategy delineated in the Quadrennial Defense Review; an examination of the technological, doctrinal, and other factors affecting the long-term transformation of the conduct of military operations; a review of active and reserve general officer authorizations and distributions; review of the roles and responsibilities of the Chairman of the Joint Chiefs of Staff and of the combatant commands military requirements; examination of roles and missions of the armed services, and their implications for modernization requirements and the development of major weapons systems; assessment of the new Assistant Secretary of Defense for Homeland Defense and its implications for the organizational structure of the Office of the Secretary of Defense; and oversight of the realignment of major combatant commands, including the merger of Strategic and Space Commands, and the establishment of the Northern Command to complement the missions of the Department of Homeland Security.

Intelligence

The committee will continue to coordinate with the Permanent Select Committee on Intelligence on tactical intelligence matters and intelligence-related activities of the Department of Defense, and intelligence and counterintelligence activities of the Department of Energy in the course of its annual oversight of the intelligence community and the authorization of appropriations for intelligence activities shared by the two committees. In addition, the committee will assess whether the creation of the new Under Secretary for Intelligence position within the Department of Defense, as authorized by the Bob Stump National Defense Authorization Act for Fiscal Year 2003, has resulted in greater integration and coordination within the DOD intelligence community.

Missile Defense Programs

The committee will continue to review the Department of Defense's plans to accelerate fielding of initial capability of several missile defense programs. This acceleration, which signals a level of confidence in the growing body of missile defense program flight test results, will likely entail increases in missile defense funding and the combination of both accelerated flight testing and simultaneous fielding of emerging capabilities of elements of the missile defense system-of-system architecture.

Organization and Management of the Department of Defense

The committee will continue its review of the Department of Defense infrastructure and organization. In particular, the committee will evaluate expected defense reform proposals recommended by the administration. In addition, the

committee will assess the success of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 and evaluate appropriate modifications to that legislation, including associated requirements for professional military education.

Threats Posed by Unconventional Warfare

The committee will continue its oversight of unconventional threats to national security and U.S. military forces. Particular attention will be given, but not limited, to the response of the Department of Defense to the events of September 11, 2001, the establishment and initial operations of the Northern Command, an assessment of the adequacy of force protection measures, including the adequacy of intelligence, operational, and tactical doctrine; the equipment modernization necessary to conduct the global war on terrorism; progress in establishing a national collaborative environment for intelligence information; related organizational matters; and the design of installations and facilities to address threats posed by terrorism utilizing either conventional weapons or weapons of mass destruction. Due to its increased role and involvement in the war on terrorism, the Special Operations Command is likely to see a significant increase in its procurement budget for fiscal year 2004. In the conduct of its oversight, the committee will coordinate with the Permanent Select Committee on Intelligence on tactical intelligence matters and intelligence-related activities of the Department of Defense.

Military Applications of Nuclear Energy

Particular attention will be given, but not limited, to the following: continuing modernization and maintenance of U.S. defense nuclear force structure in support of military and national security requirements; assessment of possible effects of a nuclear test ban, in whole or in part, on the safety and reliability of the U.S. nuclear deterrent; the security of defense nuclear sites, and the safe and secure transport of nuclear weapons, components, and materials; the adequacy of the Department of Energy's science based stockpile stewardship program to guarantee the safety, reliability and performance of the stockpile in the absence of testing; examination of the restructuring of the nuclear facility workforce; assessment of options concerning the disposition of plutonium and highly enriched uranium. Additionally, the committee will pursue an examination of future national stockpile requirements for tritium; continuing oversight of the implementation of the reform of the management of the national security programs of the Department of Energy and the National Nuclear Security Administration enacted by the 106th Congress; implementation of the recommendations of the Nuclear Posture Review undertaken pursuant to sections 1041 and 1042 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001; and the national security implications of the Moscow Treaty requiring a reduction in active, deployed strategic weapons to 3,800 in fiscal year 2007, and a level of 1,700-2,200 weapons by 2012.

Nuclear Non-Proliferation and Threat Reduction

The committee will continue its oversight of the Cooperative Threat Reduction program and nuclear non-proliferation issues. In particular, the committee will focus on

ensuring increased transparency and high standards of conduct from participating parties and ensuring complete access and accountability for these programs. The committee will also assess the appropriate conditions to be placed on non-proliferation assistance given to the states of the former Soviet Union.

Technology Transfers and Export Controls

The committee will continue to conduct a careful examination of the current U.S. export control regime and its effectiveness in preventing the transfer of sensitive military-related technologies to potential adversaries. In particular, the committee will focus on the implementation of legislative requirements related to the export of high performance computers (so-called "supercomputers"); assessing the effect of globalization, including industrial mergers and acquisitions, on the ability of the United States to prevent the flow of militarily sophisticated dual-use technologies to potential adversaries; and evaluating various proposals to modify existing domestic and multilateral export control regimes. In these and other export control-related areas, the committee will continue to coordinate with the Committee on International Relations, especially in the consideration of the likely reauthorization of the Export Administration Act.

Transformation

The Secretary of Defense has made transformation of U.S. military forces to meet the challenges of the 21st Century one of his highest priorities. The 2001 Quadrennial Defense Review outlined six transformational goals for the Department of Defense and the military services. The committee expects that funding for transformational programs and initiatives will be an important aspect of the FY 2004 budget submission. The committee will hold oversight hearings on a number of aspects regarding transformation including funding for the Department's transformation investment accounts, and on various transformation initiatives such as anti-access capabilities, enhanced space operations, leveraging information technology and information operations.

Homeland Defense

The National Defense Authorization Act for FY 2003 (P.L. 107-107) created an Assistant Secretary of Defense for Homeland Defense to oversee Department of Defense activities related to homeland security. In October 2002, the Department issued the Unified Command Plan 2002 (UCP-02) that established a new combatant command, U.S. Northern Command, to provide unity of command for the land, sea and air defense of the United States. The committee will hold oversight hearings into the progress the Department has made in the various aspects of homeland defense and receive updates in the implementation of P.L. 107-107 and UCP-02.

BASE REALIGNMENT AND ACQUISITION ISSUES

Military Modernization and Acquisition Policy

The committee will continue to monitor closely the ongoing implementation of the Federal Acquisition Streamlining Act of 1994, the Federal Acquisition Reform Act of 1996, and other recent reforms of the federal acquisition system as they affect the procurement practices of the Department of Defense. The Department of Defense has chosen to eliminate the current 5000 series acquisition regulations that established modernization program milestones and decision criteria, and intends to replace these regulations with more streamlined guidance designed to support shorter acquisition timelines. The committee will reexamine the traditional oversight tools such as multiple program milestone reviews at various stages of development and traditionally sequenced test, evaluation, and procurement reviews prior to first fielding and deployment. The committee will continue to coordinate with the Committee on Government Reform in these matters of shared jurisdiction and interest.

Base Realignment and Closure

The committee will continue to examine the costs and savings associated with base realignment and closure actions taken in 1988, 1991, 1993, and 1995. In addition, the committee will closely monitor Department of Defense preparations for conduct of the base realignment and closure round in 2005, authorized in the National Defense Authorization Act for Fiscal Year 2002. The committee will continue to examine the impact of base realignment and closure actions on affected local communities, particularly the effects of regulations and statutes governing base reuse, the disposal of real and personal property, and community adjustment assistance, including the continuing implementation of conveyances of base closure property for economic development authorized by the National Defense Authorization Act for Fiscal Year 2000. The committee will also continue to assess the effect of previous base realignment and closure actions on readiness and future force modernization.

Fiscal Management and Oversight of Weapons Programs

Several programs have experienced cost overruns within the past year or in the previous two years. The committee will assess the need for legislative action by examining potential causes for these overruns including, but not limited to, optimistic previous cost estimates, labor and material increases, production and development schedule slips, performance problems, requirements creep, and increased industrial overhead costs.

National Security Aspects of the Merchant Marine

The committee will continue to examine programs designed to maintain the U.S. flag commercial merchant fleet and its role in strategic and sustainment sealift, transparency of vessel ownership, and the control and security of vessels operating under

the U.S. flag. Specifically, the committee will continue its oversight of the implementation of the Maritime Security Act of 1996, and will address the issue of reauthorization of this program in the 108th Congress. The committee will also continue to assess the condition of the National Defense Reserve Fleet and the ability of U.S. shipyards to transition to a combination of defense and non-defense ship construction.

TOTAL FORCE, PERSONNEL, AND HEALTH ISSUES

Force Readiness

A continuing principal focus of the committee during the 108th Congress will be to assess the readiness of the armed services and the adequacy of planned expenditures for national defense to support sustained readiness of U.S. military forces. Particular attention will also be given, but not limited, to the following: an examination of the impact of the high pace of deployments and the level of compensation during deployment on service personnel and their families; reevaluation of current policy supporting officer and enlisted recruiting, accessions, training, promotions, separations, and retirements; assessment of pay, compensation, and other benefits of military service, including the implementation by the Department of Defense of assignment incentive pay as adopted in the Bob Stump National Defense Authorization Act for Fiscal Year 2003 and health and disability benefits for people participating in pre-accession education and training programs; and a continuing assessment of recruitment and retention policies and programs of the military services.

Concurrent Receipt of Military Retired Pay and VA Disability Compensation

The Bob Stump National Defense Authorization Act for Fiscal Year 2003 provided a compromise measure on concurrent receipt: a new special compensation for retirees with combat related disabilities. Not later than May 31, 2003, the Secretary of Defense is required to provide to retirees with combat related disabilities monthly payments to offset the amount of retired pay forfeited due to the prohibition against concurrent receipt. The implementation of the new program will require the Department of Defense to make a number of policy determinations that will require close oversight by the committee in the 108th Congress in order to ensure the program is promptly and equitably implemented.

Compensation and Benefits Parity Between Reserve and Active Duty Members

Because of the increased level of reserve component participation and responsibility in military operations during the last decade — and the likelihood that the reserves will continue to play an important role in the war on terrorism — reservists, National Guardsmen, and their supporters have initiated a number of measures to equalize the current level of reserve compensation and benefits in comparison with those received by their active duty counterparts. Given the desire for a comprehensive look at all the issues, the committee directed the Comptroller General in the Bob Stump National

Defense Authorization Act for Fiscal Year 2003 to review the terms and elements of reserve compensation, benefit, and personnel support programs to determine if these programs need to be improved and whether they are fair and equitable when compared to similar programs conducted for the benefit of active duty personnel. The review, due to Congress by March 31, 2003, will require the immediate attention of the committee.

Deployment Health and Force Health Protection

The committee's efforts to advance force health surveillance and protection will include consideration of the findings of an ongoing General Accounting Office review — itself a follow-up to a 1997 GAO report — of the Department of Defense's Deployment Health Surveillance policy implementation. The current review is also examining compliance with the National Defense Authorization Act for Fiscal Year 1998 that required specific deployment health surveillance activities. Further, the committee will assess the execution of the new smallpox vaccination program to ensure that lessons learned in implementing the Anthrax Vaccine Immunization Program contribute to better management of vaccine administration, immunization record keeping, education of service members and their families, and monitoring/reporting adverse reactions.

Domestic Violence in the Military

The committee anticipates that the final report of the Department of Defense Task Force on Domestic Violence will provide a number of actionable proposals that merit adoption and implementation. The committee will be interested in the earliest possible adoption of appropriate recommendations and progress regarding other proposals that the Department of Defense has taken under study. The committee's principal interest will be to expedite implementation of appropriate policies, programs and resources necessary to address this important quality of life, good order and discipline issue.

Military Absentee Voting Procedures

The National Defense Authorization Act for Fiscal Year 2002 and the Help America Vote Act of 2002 both included new initiatives to assist military members to vote by absentee ballot and to improve the effectiveness of the Federal Voting Assistance Program operated by the Secretary of Defense and the process within the Department of Defense for moving voting materials by mail. In addition to closely monitoring the effectiveness of defense voting programs, the committee will also be interested in giving oversight to the Department of Defense effort to prepare for and execute a broad demonstration of electronic absentee voting during the 2004 Federal election.

Military and Military Retiree Health Care

The committee will continue its efforts to assess the cost, accessibility, and quality of peacetime military health care, including the transition to new TRICARE contracts and changes to the TRICARE regional governance structure. In particular, the Committee will focus on the planning, execution and effects of the transition from the

current twelve TRICARE regions and four Managed Care Support Contractors to a new three-region, three MCSC structure. The committee will investigate the recent theft of personal data on 500,000 service members from a DOD health care contractor, the largest single identity theft in the nation's history. The committee will also be interested in the implementation of the new national retail pharmacy contract, and the establishment of new local support and resource sharing contracts. The committee's principal interest will be that the Department of Defense effort to transition to new contracts does not negatively affect beneficiaries, and that it improves optimization of military medical treatment facilities while preserving high quality, accessible health care. The committee is especially interested in TRICARE beneficiary access to providers and reports of provider shortages in some areas. Additionally, the committee will continue to monitor the delivery of health care benefits for members of the National Guard and reservists called to active duty, and their family members. The committee will also closely monitor efforts by the Department of Defense to improve information security as it relates to beneficiary data used in health care venues. Finally, the committee will continue to work with the Committee on Veterans' Affairs in the oversight of inter-agency arrangements related to the sharing of health care resources available to the Department of Defense and the Department of Veterans Affairs.

Morale, Welfare, and Recreation Programs

Particular attention will be given, but not limited, to the following: oversight of morale, welfare, and recreation programs; examination of military exchanges and commissaries; and oversight of non-appropriated fund construction programs and other non-appropriated fund instrumentalities.

People and Quality of Life

The committee will continue to address critical issues and programs supporting the quality of life for military personnel and their families and the effect of those programs ultimately on military readiness. Particular attention will be given, but not limited to, the following: examination of research and health care issues related to the care of veterans of the Persian Gulf War; assessment of improvements in the basic allowance for housing and the reduction of out-of-pocket housing costs for military members; oversight of the implementation of the reform in the basic allowance for subsistence; review of the current quality and adequacy of the military family housing supply; review of the current quality and adequacy of barracks, bachelor enlisted quarters, and dormitories; oversight of the implementation of the Military Housing Privatization Initiative authorized by the National Defense Authorization Act for Fiscal Year 1996; and examination of the backlog in the repair and maintenance of military housing.

Restructuring of Service Career Management Personnel Programs

Recruiting and retention problems and the desire to create a more cost efficient force have prompted new emphasis on alternative strategies for managing military

personnel. The Secretary of Defense has raised fundamental questions about the value of maintaining the current "up or out" military personnel system. The U.S. Commission on National Security/21st Century, the Defense Science Board, and other government oversight agencies and private sector think tanks are contemplating alternative personnel and compensation systems that would require numerous legislative changes to implement. Department of Defense officials are known to be analyzing possible major changes in military personnel management systems that, when announced, will require extensive oversight by the committee.

SCIENCE, TECHNOLOGY, AND ENVIRONMENTAL ISSUES

Chemical-Biological Defense Program

The preparedness of U.S. armed forces to fight effectively under the threat of the use of chemical or biological weapons by an adversary has been an area of continuing interest and oversight by the committee since before the 1990 Persian Gulf War against Iraq. Significant advances have been made in chemical-biological defense capabilities of U.S. forces since the end of that conflict as a result of increased funding and emphasis within the Department of Defense and among U.S. military commanders. However, shortages of the newest protective equipment in some units and uncertainties with respect to the biological threat raise concerns about the current readiness of U.S. forces to fight in a chemical-biological warfare environment. A major reorganization of chemical-biological defense program management within the Department of Defense is being considered that should result in a program that is more responsive to the needs of the forces in the field (and to homeland defense requirements). The committee will review the current state of preparedness among U.S. armed forces and assess the effectiveness of the new program management and the adequacy of program funding during hearings on the fiscal year 2004 budget request.

Chemical Demilitarization Program

Under the Chemical Warfare Convention Treaty the United States is required to complete the destruction of its stockpile of lethal chemical warfare agents and munitions by September 2007. Although approximately 25 percent of the U.S. chemical weapons stockpile has been destroyed, technical issues and political and environmental controversies involving the preferred method of destruction chosen by the Army have resulted in significant program delays, which put at risk the ability of the United States to fulfill its obligations under the treaty, and significantly increased program costs (to approximately $24 billion by program completion). The Department of Defense is reorganizing program management for the second time within the past year to address many of these concerns. The committee will address the current state of the program and measures that might be taken to accelerate the destruction of the stockpile during hearings on the fiscal year 2004 budget request.

Environmental Programs

Particular attention will be given, but not limited, to the following: assessment of current federal, state, and local environmental compliance, remediation, and restoration requirements imposed on the Department of Defense, the military services, and the Department of Energy; examination of current and planned funding requirements for environmental programs of the Department of Defense and the Department of Energy, including an assessment of the cost effectiveness of such programs; and examination of encroachment and the diversion of military training and operations and maintenance funds to meet environmental requirements and the impact such diversion may have on training and military readiness. Identified for special emphasis is the effectiveness of the Department of Energy's Environmental Management Clean-Up Reform Program, in refocusing environment remediation efforts at Cold War legacy nuclear sites from risk management to real risk reduction. Finally, an examination of the environmental cleanup of unexploded ordnance at current and former military bases will be conducted.

Industrial and Technological Base

Particular attention will be given, but not limited, to the following: assessment of current budget and policy priorities on the maintenance of the defense industrial and technology base; assessment of the ramifications of mergers and acquisitions in the defense industry on the development of future weapons systems; assessment of dual-use technology programs; examination of the current defense laboratory and testing system; assessment of the role of defense funding for university research in the maintenance of the technology base; and the adequacy of the science and technology base to support force transformation.

Information Technology

Particular attention will be given, but not limited to the following: implementation by the Department of Defense of the information security reforms authorized by the E-Government Act of 2002, the Clinger-Cohen Act of 1996, as well as numerous provisions in various National Defense Authorization Acts; assessment of the measures being taken by the Department of Defense to reduce the number of legacy systems and to improve the security of information technology networks; establishment and implementation of a standard architecture for all information technology applications; and reduction of the vulnerability of information technology systems to unauthorized access and use, the theft of information, and new forms of information warfare and terrorism. In these areas, the committee will continue to coordinate with the Committee on Government Reform. Additionally, the committee will review the management of radio frequency spectrum to ensure that national security requirements are adequately addressed. In that review, the committee will continue to coordinate with the Committee on Energy and Commerce in this matter of shared jurisdiction and interest.

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RUSH D. HOLT, NEW JERSEY
JIM MATHESON, UTAH

THOMAS S. KAHN, MINORITY STAFF DIRECTOR
AND CHIEF COUNSEL
(202) 226-7200

February 11, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
House of Representatives
2157 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Davis:

Pursuant to Rule X, Clause 2 of the Rules of the House of Representatives, I respectfully submit the oversight plan of the Committee on the Budget for the 108th Congress. The oversight plan was adopted by the committee on February 4 by voice vote.

Sincerely,

Jim Nussle
Chairman

THE OVERSIGHT PLAN OF THE COMMITTEE ON THE BUDGET

UNITED STATES HOUSE OF REPRESENTATIVES, 108TH CONGRESS

Adopted February 4, 2003

COMMITTEE JURISDICTION/OVERSIGHT

Under clause 2(d) of House Rule X, each committee is required to adopt and submit to the Committees on Government Reform and House Administration an oversight plan by February 15 of the first session of each Congress. The Budget Committee's oversight responsibilities are determined by both the breadth of the Federal budget and the relatively narrow focus of its legislative jurisdiction.

Under clause 1(d)(1) of House Rule X, the primary responsibility of the Budget Committee is the development of a concurrent budget resolution that sets spending and revenue levels in aggregate and across 20 budget functions. These budget functions encompass all Federal programs or activities other than those that are defined as off-budget, such as Social Security and the Postal Service, and those that are considered nonbudgetary, such as the Federal Reserve.

Although the subject matter of the budget is inherently broad, the committee's formal oversight responsibility focuses on law governing the budget process and the agencies responsible for administering elements of those laws. Under clauses 1(d)(2) and (3)of House Rule X, the major laws falling within its oversight are the Budget and Accounting Act of 1920, the Congressional Budget Act of 1974, and the Emergency Balanced Budget and Deficit Control Act of 1985. The two agencies with primary responsibility for administering elements of these laws and hence which fall under the committee's jurisdiction are the Office of Management and Budget [OMB] and the Congressional Budget Office [CBO].

In addition to these general oversight responsibilities, the Budget Committee has the special oversight responsibility under clause 3 of House rule X to study the effect of budget outlays of existing and proposed legislation and to request and evaluate continuing studies of tax expenditures.

OVERSIGHT PLAN FOR 108th CONGRESS

Budget Priorities

In the process of developing the annual concurrent budget resolution, the committee will hold hearings and receive testimony from Members of Congress, Cabinet-level and other Federal officials, State and local officials, and expert witnesses to review the President's budget submissions and other alternatives to programs and activities.

The committee shall continuously assess the performance of Federal agencies in both administration and service delivery by reviewing performance data in the President's budget submissions and the relevant reports and audits of the General Accounting Office and the Offices of the Inspectors General.

The committee will study the budgetary effect of existing law and proposed legislation, as well as government regulation, on government spending.

The committee will draw on the authorizing committee's Views and Estimates on the President's Budget, which are submitted to it pursuant to section 301(d) of the Congressional Budget Act, to coordinate its oversight activities with other committees.

Budget Enforcement

The committee will provide ongoing oversight of the Office of Management and Budget's implementation of budget submission, control, execution, and enforcement procedures under the Budget and Accounting Act of 1920, the Congressional Budget Act of 1974, the Budget Enforcement Act of 1990, and the Balanced Budget and Emergency Deficit Control Act of 1985, and other applicable laws. Additionally, the Committee will examine the accuracy, timeliness, and responsiveness of OMB.

The Committee will consider proposals and study alternatives to improve ways in which the Congress and the President develop and enforce budgetary decisions. This will include an examination of the tools and methods utilized by the various States.

In addition, the committee will closely monitor: adjustments to the discretionary spending limits; reclassifications of budget accounts; re-estimates of the subsidies of credit programs; consistency in cost estimates for direct spending and tax bills; compliance with the Emergency Balanced Budget and Deficit Control Act in the development of baseline budget projections; and changes in spend-out rates for discretionary programs, and implementation of performance plans.

The committee will work with the Appropriations and the authorizing committees to ensure that spending and tax legislation does not breach the appropriate levels in the budget resolution, as required under sections 302(f) and 311(a) of the Congressional Budget Act of 1974.

The committee will submit to the Speaker of the House of Representatives and the President pro tempore of the Senate, pursuant to Section 201(a)(2) of the Congressional Budget Act of 1974, the recommendation of a replacement to fill the position of Director of the Congressional Budget Office.

Budget Process Reform

The committee will consider proposals to improve the ways in which the Congress and the President develop and enforce budgetary decisions.

Direct Spending and Tax Incentives

The Committee will request and evaluate continuing studies of tax incentives and direct spending by the Federal Government, and whether they are the most appropriate and efficient means to achieve specified public policy goals.

OVERSIGHT SCHEDULE

First Session (2003)

Winter 2003—Hearing on CBO's Economic and Budget Outlook—Director of CBO

Winter 2003—Hearing on the President's fiscal year 2004 budget—Director of OMB

Winter 2003—Hearing on the President's fiscal year 2004 budget and tax proposals—Secretary of the Treasury

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of Defense

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of State

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of Health and Human Services

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of Education

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of Transportation

Winter 2003—Hearing on the President's fiscal year 2004 budget—Secretary of Homeland Security

Winter 2003—Hearing on the President's fiscal year 2004 budget—Members of Congress

Winter 2003—Receive Views and Estimates from other committees to coordinate development of the annual concurrent budget resolution.

Summer 2003—Hearing on issues related to the reform of the budget controls of the Federal Government, e.g., Caps/Paygo, etc.

Summer 2003—Hearing to review innovative initiatives developed by States to enforce budget discipline.

Summer 2003—Hearing on issues related to the reform of the budget process and enforce budget discipline of the Federal Government.

Summer 2003—Hearing series on issues related to tax reform.

Summer 2003—Hearing on oversight of OMB compliance with the Budget and Accounting Act of 1920, the Congressional Budget Act of 1974, and other applicable laws.

Summer 2003—Hearing on Mid-Session Review and Update of the Budget & Economic Outlook– Directors of OMB & CBO.

Summer 2003—Hearing to review issues related to long-term obligations of the Federal Government, e.g., Environmental cleanup, Tricare, Federal insurance programs.

Summer 2003—Field hearing on topical subject to be determined.

Time to be determined 2003—Hearing on issues related to long-term obligations of the Federal Government, e.g., Social Security and Medicare.

Second Session (2004)

Winter 2004—Joint House/Senate hearing on CBO's Economic and Budget Outlook—Director of CBO

Winter 2004—Hearing on the economic outlook and the impact on the Federal Budget—Chairman, Board of Directors of the Federal Reserve System

Winter 2004—Hearing on the President's fiscal year 2005 budget—Director of OMB

Winter 2004—Hearing(s) on the President's fiscal year 2005 budget—Selected Cabinet Secretaries

Winter 2004—Hearing on the President's fiscal year 2005 budget—Members of Congress

Winter 2004—Receive Views and Estimates from other Committees to coordinate in developing the annual concurrent budget resolution.

Summer 2004—Hearing to examine the role and performance of CBO, including the process CBO follows to provide economic forecasts, cost estimates, and budgetary projections; to review initiatives implemented by the new director; and the results of the Budget Committee's Customer Satisfaction Survey.—CBO Director, expert witnesses

Summer 2004—Hearing to review issues related to long-term obligations of the Federal Government.

Summer 2004—Hearing on issues related to low-income citizens.

Summer 2004—Hearing series on issues related to tax reform.

Summer 2004—Field hearing on topical subject to be determined.

Summer 2004—Hearing on Social Security & Medicare Trustees Report.

The Committee on Appropriations and the Committee on Ways and Means were consulted with regard to the development of this Oversight Plan.

JOHN A. BOEHNER, OH,
Chairman

GEORGE MILLER, CA,
Senior
Democratic Member

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COMMITTEE ON EDUCATION
AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES
2181 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6100

February 11, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

On Wednesday, February 5, 2003, the Committee on Education and the Workforce adopted in open session and with a quorum present, its oversight plan for the 108th Congress.

A copy of the plan is enclosed and I am transmitting it to you and the Committee on House Administration as required by Rule X, clause 2 of the Rules of the House of Representatives.

Sincerely,

JOHN A. BOEHNER
Chairman

JAB/jms

[Committee Print]

REPORT OF OVERSIGHT PLAN
OF THE
COMMITTEE ON EDUCATION AND THE WORKFORCE

MR. BOEHNER, from the Committee on Education and the Workforce, submitted to the Committee on Government Reform and the Committee on House Administration the following.

REPORT
OVERSIGHT PLAN
OF THE HOUSE COMMITTEE ON EDUCATION AND THE WORKFORCE

1. House Rule X, Clause 2(d)(1)

Each standing committee of the House is required to adopt formally an oversight plan at the beginning of each year. Specifically, Rule X, 2(d)(1) states in part:

> *[E]ach standing committee of the House shall, in a meeting that is open to the public and with a quorum present, adopt its oversight plan for that Congress. Such plan shall be submitted simultaneously to the Committee on Government Reform and to the Committee on House Administration.*

2. Jurisdiction of the Committee on Education and the Workforce.

Rule X of the Rules of the House vests in the Committee on Education and the Workforce (Committee) with jurisdiction over issues dealing with students, education, workers, and workplace policy.

1. *Child Labor.*
2. *Gallaudet University and Howard University and Hospital.*
3. *Convict labor and the entry of goods made by convicts into interstate commerce.*
4. *Food programs for children in schools.*
5. *Labor standards and statistics.*
6. *Education or labor generally.*
7. *Mediation and arbitration of labor disputes.*
8. *Regulation or prevention of importation of foreign laborers under contract.*
9. *Workers' compensation.*
10. *Vocational rehabilitation.*
11. *Wages and hours of labor.*
12. *Welfare of miners.*
13. *Work incentive program.*

Accordingly, the Committee is responsible for overseeing approximately 24,000 federal employees and more than $125 billion in annual spending. More importantly, the Education and the Workforce Committee has a dual mission: empowering parents and teachers to provide our

students with the best education possible and giving American workers access to the tools and protections they need to meet the challenges and opportunities of the New Economy.

3. General Oversight Responsibilities

According to House Rule X, Clause 2(a):

> *The various standing committees shall have general oversight responsibilities as provided in paragraph (b) in order to assist the House in – (1) its analysis, appraisal, and evaluation of –*
> *(A) the application, administration, execution, and effectiveness of Federal laws; and*
> *(B) conditions and circumstances that may indicate the necessity or desirability of enacting new or additional legislation; and*
> *(2) its formulation, consideration, and enactment of changes in Federal laws, and of such additional legislation as may be necessary or appropriate.*
> *(b)(1) In order to determine whether laws and programs addressing subjects within the jurisdiction of a committee are being implemented and carried out in accordance with the intent of Congress and whether they should be continued, curtailed, or eliminated, each standing committee (other than the Committee on Appropriations) shall review and study on a continuing basis –*
> *(A) the application, administration, execution, and effectiveness of laws and programs addressing subjects within its jurisdiction;*
> *(B) the organization and operation of Federal agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within its jurisdiction.*

4. Exercise of Oversight Responsibilities

The Committee takes seriously its responsibility to conduct oversight and investigations. The Committee is therefore committed to ensuring that government agencies, departments and programs within in its jurisdiction:

- Focus on an appropriate federal mission;
- Work in an effective and efficient manner; and,
- Consistently follow Congressional intent in their respective activities and operations.

Accordingly and in keeping with the Rules of the House and the principles of oversight and investigations, the Committee has identified 6 major projects for the 108th Congress. These projects are:

Financial Management in the Department of Education: During the final three years of the Clinton Administration, the Department of Education failed three consecutive audits, and an estimated $450 million was lost to waste, fraud, and mismanagement. In October 2001, Secretary Paige announced a comprehensive action plan for putting the Department's management and financial house in order based on 601 separate recommendations. Since then, Secretary Paige has addressed all of the audit recommendations, restricted the use of government purchase cards, and tightened control of the Department's financial matters. In early February 2003, results from an agency-wide audit of the Department of Education's financial statements will be available to the Committee. This information can be used to measure the progress that has been made by the Bush Administration in implementing needed corrective actions.

Elementary and Secondary Education: Following the enactment of the No Child Left Behind Act, in the 107th Congress, the Committee has been and will continue to focus on the effective and timely implementation of the Act. The Committee will examine successful efforts to implement the law at the state and local level, as well as the obstacles to successful implementation at all levels, including how federal regulations promote or inhibit timely and effective implementation. Specific areas of focus will include accountability, assessments, choice, supplemental services, teacher quality, and flexibility.

Higher Education: The Committee will thoroughly examine the laws and regulations governing the Higher Education Act (HEA), with the goal of increasing access to postsecondary education for our nation's students, ensuring the quality of the education provided, requiring accountability on the part of the institutions providing that education and working diligently to examine the issue of skyrocketing costs within postsecondary education. In addition, within the reauthorization of the HEA, the Committee will work with Historically Black Colleges and Universities as well as Hispanic-Serving Institutions to review opportunities to strengthen and improve aid to these institutions.

Department of Labor Issues: The Committee will continue its oversight of the various programs and statutes administered by the Department of Labor, including the administration of the Occupational Safety and Health Act. The Committee also expects to monitor and review the Department of Labor's regulatory initiatives with respect to the Fair Labor Standards Act of 1938, the Family and Medical Leave Act, and the improvements to the union reporting requirements under title II of the Labor-Management Reporting and Disclosure Act of 1959.

Retirement Security: The Committee will continue to monitor the Department of Labor's activities with respect to its efforts to protect the integrity of private pension and welfare plans. In addition, the Committee will continue its oversight of the Pension Benefit and Guaranty Corporation

In addition, the Committee reserves the right to review and investigate general legislative, administrative and regulatory issues affecting the jurisdiction of the Committee.

MICHAEL BILIRAKIS, FLORIDA
JOE BARTON, TEXAS
FRED UPTON, MICHIGAN
CLIFF STEARNS, FLORIDA
PAUL E. GILLMOR, OHIO
JAMES C. GREENWOOD, PENNSYLVANIA
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RICHARD BURR, NORTH CAROLINA
ED WHITFIELD, KENTUCKY
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MIKE ROGERS, MICHIGAN
DARRELL E. ISSA, CALIFORNIA
C.L. "BUTCH" OTTER, IDAHO

ONE HUNDRED EIGHTH CONGRESS

U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515–6115

W.J. "BILLY" TAUZIN, LOUISIANA,
CHAIRMAN

February 12, 2003

JOHN D. DINGELL, MICHIGAN
HENRY A. WAXMAN, CALIFORNIA
EDWARD J. MARKEY, MASSACHUSETTS
RALPH M. HALL, TEXAS
RICK BOUCHER, VIRGINIA
EDOLPHUS TOWNS, NEW YORK
FRANK PALLONE, JR., NEW JERSEY
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TOM ALLEN, MAINE
JIM DAVIS, FLORIDA
JAN SCHAKOWSKY, ILLINOIS
HILDA L. SOLIS, CALIFORNIA

DAVID V. MARVENTANO, STAFF DIRECTOR

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Robert W. Ney
Chairman
Committee on House Administration
1309 Longworth House Office Building
Washington, D.C. 20515

Dear Chairmen Davis and Ney:

Please find attached the Committee on Energy and Commerce's Oversight Plan for the 108th Congress. The Plan was adopted in open markup session this morning.

Please do not hesitate to contact me with any questions. I look forward to working with you in implementing our aggressive oversight agenda.

Sincerely,

W.J. "Billy" Tauzin
Chairman

Attachment

COMMITTEE ON ENERGY AND COMMERCE OVERSIGHT PLAN

U.S. HOUSE OF REPRESENTATIVES

108TH CONGRESS

CONGRESSMAN W. J. "BILLY" TAUZIN, CHAIRMAN

Rule X, clause 2(d) of the Rules of the House requires each standing Committee to adopt an oversight plan for the two-year period of the Congress and to submit the plan to the Committees on Government Reform and House Administration not later than February 15 of the first session of the Congress.

This is the oversight plan of the Committee on Energy and Commerce for the 108th Congress. It includes the areas in which the Committee expects to conduct oversight during the 108th Congress, but does not preclude oversight or investigation of additional matters as the need arises.

COMMERCE, TRADE, AND CONSUMER PROTECTION ISSUES

VEHICLE AND TIRE SAFETY

During the 106th Congress, the Committee's oversight of the Firestone tire recall matter led to the passage of legislation – the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act – mandating that the National Highway Traffic Safety Administration (NHTSA) institute rulemakings to require the submission of data on safety-related problems, claims, and lawsuits (whether foreign or domestic) from manufacturers of products within NHTSA's purview, including tires and vehicles. In the 107th Congress, the Committee conducted oversight of NHTSA's implementation of the TREAD Act, as well as industry's continuing response to the safety issues that led to its enactment. In the 108th Congress, the Committee intends to continue its review of the implementation of the TREAD Act, including creation of an early warning database system, rollover standard setting, and general vehicle safety issues.

DECEPTIVE ADVERTISING OF HEALTH-RELATED PRODUCTS

During the past two years, the Federal Trade Commission (FTC) has increased its enforcement efforts in the area of deceptive advertising of health-related products, particularly weight-loss supplements. Despite these increased efforts by the FTC to crack down on deceptive advertising in this area, advertising of weight-loss products continues to saturate all advertising mediums. In the 108th Congress, the Committee will examine the enforcement efforts to date of the FTC with respect to deceptive advertising of weight-loss products, and investigate issues related to recidivism in this industry, as well as emerging products that

are being marketed directly to children or are dietary products designed for use exclusively by children.

THE FTC'S CONSUMER PROTECTION EFFORTS

In the 108th Congress, the Committee will continue to review the management, operations, rulemaking, and enforcement actions of the Federal Trade Commission (FTC) in safeguarding consumers. In particular, the Committee will continue to review Commission activity with regard to franchises, business opportunities, telemarketing and identity theft. The Committee also will examine the FTC's consumer protection mandate and performance as part of its reauthorization process.

CONSUMER PRODUCT SAFETY

In the 108th Congress, the Committee will continue to review the management, operations, and activities of the Consumer Product Safety Commission (CPSC) in safeguarding consumers, and particularly their children, from faulty or dangerous products. In particular, the Committee will review the adequacy of the CPSC's data gathering and dissemination efforts with respect to products within its jurisdiction. The Committee also will examine other activities that enhance consumer product safety, such as safety standard organizations.

FINANCIAL ACCOUNTING STANDARDS

The Committee's oversight of corporate accounting scandals during the 107th Congress led to the passage of corporate governance and accounting reform legislation in 2002. In the 108th Congress, the Committee will conduct oversight of accounting standards changes and Financial Accounting Standards Board (FASB) projects implemented in response to the new law and the corporate financial collapses of 2001 and 2002. In particular the Committee will monitor changes to standards relating to accounting for derivatives and hedging, disclosure requirements for guarantees, and disclosures about fair value and revenue recognition. The Committee will seek to ensure that the FASB standard-setting process is independent and transparent, and that the standards set by FASB result in unbiased financial information that reflects economic reality and promotes transparency in corporate disclosure. The Committee also will review the implementation of the funding mechanism provided for FASB through the Public Company Accounting Oversight Board created under last year's corporate reform act.

In addition, the Committee will monitor the progress of the International Accounting Standards Board (IASB) and its effect on U.S. accounting standards and standard setting. The Committee also will review the Securities and Exchange Commission study regarding principles-based accounting to explore the costs and benefits of a rules-based vs. principles-based system of accounting for U.S. companies.

INTERSTATE AND E-COMMERCE

In the 108th Congress, the Committee will continue to examine issues that substantially impact or affect interstate commerce, with particular interest in activities that impede such commerce. The Committee will continue its review of consumer information privacy in the commercial context. The Committee also will continue to examine impediments to electronic commerce, including state legal and regulatory impediments.

In addition, the Committee will continue to review and consider issues relating to private-sector cyber security, fraud, and other criminal issues confronting e-commerce. The Committee also will continue to examine whether there is a need for further liability reform in a number of areas, including product liability and punitive damage awards generally.

TRADE

In the 108th Congress, the Committee will continue to monitor and examine both multilateral trade agreements (including World Trade Organization agreements) and bilateral agreements such as the Singapore and Chile Free Trade Agreements, as those agreements relate to services within the Committee's jurisdiction – including telecommunications, electronic commerce, food and drugs, and energy. The Committee also will examine non-tariff trade barriers, such as legal and regulatory barriers, to electronic commerce and other services within the Committee's jurisdiction. In addition, the Committee will examine the role of the Office of the United States Trade Representative with respect to the assessment of international telecommunications trade and the implementation of trade agreements in this area. The Committee also will continue to examine the issue of foreign government ownership of companies in service industries within the Committee's jurisdiction.

ELECTRONIC COMMUNICATIONS NETWORKS (ECNs)

In the 108th Congress, the Committee will continue to evaluate the role of electronic communications networks (ECNs) in providing competition in the securities marketplace. The Committee will review impediments to competition and innovation in the securities markets, and explore ways to eliminate barriers while preserving investor protections. The Committee also will examine the current issues surrounding the availability of market data, and will consider appropriate treatment of last sale and quotation information.

ATHLETICS

In the 108th Congress, the Committee will continue to conduct oversight of issues affecting amateur athletics, including the role of commercialism, athletic opportunities, drug abuse, and the health and welfare of student athletes. In addition, the Committee will monitor the governance of organizations responsible for administering athletics, including the U.S. Olympic Committee.

TRAVEL AND TOURISM

Following the September 11 terrorist attacks, the travel and tourism industries were severely impacted by the decrease in business and vacation travel. In the 108th Congress, the Committee will review the obstacles that stand in the way of a full recovery for the travel and tourism industries, as well as how the industries, along with Federal and state governments, can encourage and promote the United States as a travel destination for international and domestic passengers.

ENERGY AND AIR QUALITY ISSUES

NATIONAL ENERGY POLICY

During the 108th Congress, the Committee will undertake an examination of national energy policy, examining U.S. policies as they relate to conservation, energy efficiency, production, and consumption of electricity, oil and natural gas, coal, hydroelectric power, nuclear power, and renewable energy. The Committee will examine the impact government policies are having on the exploration, production, and development of domestic energy resources. The Committee will review the Department of Energy's Office of Fossil Energy to ensure that its programs and resources are being optimized to support the domestic petroleum industry. The Committee also will examine global crude oil supplies in light of potential supply interruptions, such as a war with Iraq, political turmoil in Venezuela, and increasing competition from other countries for swing supply. The Committee will examine other issues relating to the nation's current energy infrastructure with a view towards its expansion.

In May 2001, Vice President Cheney and the other members of the National Energy Policy Development Group issued a report on a National Energy Policy. The report recommends specific legislative and regulatory reforms necessary to ensure the nation's long-term energy security and to meet short-term energy needs. The report contains numerous recommendations for action by specific agencies within the Federal government. The Committee will conduct oversight of the activities of these agencies with regard to the recommendations contained in the National Energy Policy report.

THE FEDERAL ENERGY REGULATORY COMMISSION

In the 108th Congress, the Committee will continue to examine the activities of the Federal Energy Regulatory Commission (FERC) relating to electric industry restructuring, protection of consumers, and the development of efficient and vigorous wholesale markets for electricity. In particular, the Committee will focus on FERC's review of applications for regional transmission organizations (RTOs), its review of comments on its proposed standard market design rulemaking, the adequacy and reliability of the nation's interstate transmission grid, and other matters relating to wholesale electricity markets and the development of

infrastructure needed to support such markets. The Committee will examine whether FERC's policies appropriately address the interests of each region of the country, the situation of industry participants with pending RTO applications, and the overall benefits of well-functioning wholesale markets. The Committee also will continue its oversight of FERC's handling of, and lessons learned from, the crisis in California and western electricity markets during 2001-2002, including review of the Commission staff's forthcoming investigative report and the Commission's other enforcement activity.

THE FEDERAL ELECTRIC UTILITIES

In the 108th Congress, the Committee will conduct oversight of the activities of the Federal Power Marketing Administrations (PMAs) and the Tennessee Valley Authority (TVA). The Federal government has been marketing electricity since the 1930s. According to the General Accounting Office (GAO), the Federal government today markets more than 10 percent of the nation's power through the PMAs and TVA. The majority of this power is sold to "preference customers," which includes cooperatives, municipal utilities, irrigation districts, large industrial customers, and military installations. The Committee will conduct oversight of the PMAs and TVA regarding issues such as debt reduction through recovery of costs, consistency with electricity transmission policies of the Federal government to promote competitive wholesale power markets, transmission and generation infrastructure upgrades, and compliance with relevant statutes.

OIL AND NATURAL GAS MARKETS

In the 108th Congress, the Committee will examine the reliability and transparency of natural gas markets, including price indices as well as the industry's use of derivatives and risk management as a means to stabilize commodity prices in the energy sector. The Committee also will examine whether domestic oil and gas companies are disadvantaged compared to foreign companies when competing for exploration and development programs in other countries.

THE STRATEGIC PETROLEUM RESERVE

With a potential war with Iraq looming and the political turmoil in Venezuela reducing oil exports from that country, the Committee will examine the appropriate uses of the Strategic Petroleum Reserve, the Executive Branch's ability to withdraw inventories, and a potential expansion and filling of the reserve to its Congressionally authorized amount of one billion barrels.

CLEAN COAL TECHNOLOGIES

In the 108th Congress, the Committee will continue its review of technological advances and other issues relating to "clean coal." The Committee will examine the potential for various technologies to achieve

increased efficiency, decreased environmental impacts (including air emissions), and the long-term ability of such technology to maintain a diverse energy supply for the nation. Past reviews have indicated that, while some technologies have begun to attract private capital, many technologies have yet to achieve economic viability in the marketplace. Thus, the Committee will examine whether the Federal government has a role to play in the expedited deployment of such power plant equipment, how different incentives could affect the deployment of new technologies, and the likely costs and benefits of different approaches.

GLOBAL CLIMATE CHANGE

The Committee will continue to monitor international negotiations on climate change during the 108th Congress. The Committee will consider whether international agreements are achievable, effective and fair to various U.S. interests. The Committee also will consider whether agreements on climate change are scientifically well grounded. In addition, the Committee will review components of ongoing climate programs – including activities carried out under the Global Change Research Program, the Climate Change Technology Initiative, and Section 1605(b) of the Energy Policy Act of 1992 – to ensure compliance with Congressional intent and guidance in this area.

GENERAL MANAGEMENT OF THE DEPARTMENT OF ENERGY AND ITS NATIONAL LABORATORIES

As in previous Congresses, the Committee will continue its comprehensive review of general management issues at the Department of Energy (DOE), including management of the National Nuclear Security Administration (NNSA) and the national laboratories. The Committee will examine DOE's budget requests and determine whether they are consistent with the Committee's priorities. The Committee will also continue to examine whether DOE is effectively managing the contractors that operate the national laboratories, and whether more competition is necessary in the contracting process. The Committee will continue to review the treatment of whistleblowers by DOE and its contractors.

In the 107th Congress, the Committee began a detailed investigation of procurement and property management deficiencies at Los Alamos National Laboratory, one of DOE's national laboratories run by the University of California. The Committee also recently requested that GAO review procurement and property inventory practices at the other two major national laboratories managed and operated by the University of California – the Lawrence Berkeley and Lawrence Livermore National Laboratories. In the 108th Congress, the Committee will continue to review these matters.

DOE ENVIRONMENTAL MANAGEMENT AND HIGH-LEVEL WASTE CLEAN UP PROGRAM

The Department of Energy's Environmental Management (EM) program initiated a comprehensive accelerated cleanup initiative in Fiscal Year 2003. The Committee will continue its review of this initiative to ensure that increased funding intended to achieve accelerated cleanup will actually result in real cleanup progress. The Committee also will review EM's high-level waste disposal program, including the construction and operation of high-level waste facilities at the Hanford site, the Idaho Environmental and Engineering Laboratory, and the Savannah River site.

THE YUCCA MOUNTAIN PROJECT

In the 107th Congress, the Committee reported H.J. Res. 87 approving the site at Yucca Mountain, Nevada, for the development by the Department of Energy (DOE) of a permanent repository for the disposal of commercial and government-owned spent nuclear fuel and high-level radioactive wastes. DOE cannot begin construction activities at Yucca Mountain until the Nuclear Regulatory Commission approves the construction authorization license. In the 108th Congress, the Committee will oversee DOE's progress toward completing its license application for construction authorization.

SAFETY AND SECURITY OF SPENT NUCLEAR FUEL

Spent nuclear fuel is currently located at hundreds of storage sites across the country at private and government-owned facilities. Spent fuel storage facilities include above-ground dry storage facilities and wet storage basins. Under current Federal plans, spent nuclear fuel will eventually be transported to a permanent disposal facility at Yucca Mountain. In the 108th Congress, the Committee will review issues relating to the current safety and security of spent nuclear fuel in storage, as well as the safety and security of spent nuclear fuel in transport.

DOE NUCLEAR SAFETY PROGRAMS

In the 108th Congress, the Committee will continue its oversight of implementation of nuclear safety regulations by the Department of Energy (DOE) and its contractor employees. As part of this review, the Committee will monitor closely the National Nuclear Security Administration's (NNSA) efforts to coordinate with appropriate nuclear safety offices at DOE to ensure that investigations are initiated and enforcement actions are taken whenever nuclear safety violations occur at facilities managed by NNSA.

DOE SECURITY PROGRAMS

In the 108th Congress, the Committee will continue its extensive oversight of security matters at Department of Energy (DOE) sites, particularly at the national nuclear weapon laboratories, in order to ensure that continuing improvements are made in the protection of classified information and nuclear materials – whether in storage, in use, or in

transport. The Committee also will review DOE's efforts to finalize and implement a new design basis threat for its facilities and laboratories.

THE NUCLEAR REGULATORY COMMISSION

As in previous Congresses, the Committee will review the activities of the Nuclear Regulatory Commission (NRC). The Committee will examine NRC's budget requests, conduct oversight of how the Commission discharges its various responsibilities, and review whether the Commission is an effective regulator of nuclear facilities. In particular, the Committee will monitor closely NRC's efforts to increase security requirements at nuclear facilities and develop a new design basis threat for these facilities. In addition, as part of the Committee's oversight of nuclear safety generally, the Committee will continue its review of nuclear safety issues at the Davis-Besse nuclear power plant – a situation that raises additional concerns about the Commission's ability to conduct adequate safety-related oversight of its regulated facilities.

ADVANCED AUTOMOBILE AND HYDROGEN FUEL INITIATIVES

In the 107th Congress, the Committee began a review of the FreedomCAR program run by the Department of Energy. In the 108th Congress, the Committee will continue to review the Department's FreedomCAR and FreedomFUEL advanced automobile and hydrogen fuels and infrastructure initiatives. This oversight effort will include an assessment of program set-up, cost-effectiveness, the hurdles that must be overcome to develop and bring to market advanced automobile technologies, and the infrastructures necessary to support them. The Committee also will continue to explore advanced vehicle technologies that may provide benefits in the near-term, such as clean diesel and hybrid technologies.

EPA IMPLEMENTATION OF THE CLEAN AIR ACT

In previous Congresses, the Committee has taken an active role in overseeing the Environmental Protection Agency's (EPA) implementation of the Clean Air Act and various amendments to this Act, including such matters as the 1997 revision to ozone and particulate matter standards, EPA's diesel engine certification program, EPA's regional haze program, implementation of Title VI of the Clean Air Act relating to metered-dose inhalers, and other related matters. In the 108th Congress, the Committee will continue to review significant activities regarding the Clean Air Act and the success of various efforts in achieving improved air quality in a manner that allows both administrative flexibility and improved cost-effectiveness. The Committee's review will include oversight of EPA strategies to attain Clean Air Act standards, including the implementation and assessment of vehicle emission inspection and maintenance programs.

IMPLEMENTATION OF THE "EQUIP" PROGRAM

The Farm Security and Rural Investment Act of 2002 significantly revised and expanded the Environmental Quality Incentives Program (EQUIP). This program provides incentive payments and cost-share payments to assist producers in their compliance with local, state and Federal environmental laws regarding soil, water, air quality, and wildlife habitat. Recently, the EQUIP program has funded such items as the purchase of less-polluting diesel generators on farms in California. In the 108th Congress, the Committee will review how both increased funding levels and the broadened legislative focus of the program assists communities in meeting obligations under Federal environmental statutes within the Committee's jurisdiction.

ENVIRONMENT AND HAZARDOUS MATERIALS ISSUES

EPA MANAGEMENT AND OPERATIONS

During the 108th Congress, the Committee intends to continue its general oversight of the Environmental Protection Agency (EPA), including reviewing EPA's mission and identifying programs or initiatives that deviate from that mission. The Committee also will review the agency's funding decisions, resource allocation, grants, research activities, enforcement actions, relations with State and local governments, and program implementation. Moreover, in light of an EPA Office of Inspector General's suggestion that the agency needs to improve its planning, measuring, and accountability practices, the Committee intends to monitor EPA's efforts to correct these deficiencies.

EPA PROTECTION OF SECURITY-RELATED INFORMATION

In the 108th Congress, the Committee will oversee Environmental Protection Agency (EPA) efforts to protect security preparedness and vulnerability information submitted to the agency under the provisions of the Public Health and Bioterrorism Preparedness and Response Act of 2002. In addition, the Committee will review EPA's relationship to, and coordination with, the Department of Homeland Security.

EPA'S RELATIONSHIP WITH THE STATES

In a report released in the previous Congress, the General Accounting Office (GAO) identified the Environmental Protection Agency's (EPA) relationship with the States as a "major performance and accountability challenge," citing disagreements over respective roles and responsibilities, priorities, and the proper conduct of Federal oversight. The Committee intends to monitor EPA's commitment to improving the agency's long-term relationship with the States under the National Environmental Performance Partnership. In addition, the Committee will continue to examine progressions and innovations made in the States' environmental programs, and evaluate whether there are Federal or state-level barriers to further success in these areas.

THE SUPERFUND PROGRAM AND BROWNFIELDS

In past Congresses, the Committee has conducted a review of the Superfund program run by the Environmental Protection Agency (EPA), including (1) regional enforcement and implementation of the cleanup program; (2) program management concerns identified by EPA's Inspector General; and (3) EPA expenditures from the Superfund Trust Fund. In the 108th Congress, the Committee will continue its review of the efficiency, effectiveness, funding, and pace of progress of the Superfund program. As part of the overall Superfund review, the Committee intends to monitor the implementation of the new brownfields remediation and grants law. In particular, the Committee is interested in reviewing whether EPA is properly administering the law and whether existing state brownfields programs are being inappropriately hampered by any implementation or management practices at the Federal level.

RESOURCE CONSERVATION AND RECOVERY ACT IMPLEMENTATION

The Committee will review the Environmental Protection Agency's relationship to the States' toxic waste cleanup programs, and whether Federal program reforms, additional funding, or stronger enforcement under the Resource Conservation and Recovery Act are necessary to expedite cleanups at toxic waste sites.

EPA RISK ASSESSMENT PRACTICES

In the 108th Congress, the Committee will conduct oversight with respect to Environmental Protection Agency risk assessment practices.

SAFE DRINKING WATER ACT AMENDMENTS

In the Safe Drinking Water Act (SDWA) Amendments of 1996, Congress authorized a drinking water state revolving loan fund (DWSRF) program to help public water systems finance infrastructure projects needed to comply with Federal drinking water regulations and to protect public health. Under this program, States receive capitalization grants to make loans for drinking water projects and to support certain other activities. Since the law's enactment, the Committee has examined the Environmental Protection Agency's (EPA) implementation of the 1996 SDWA Amendments, including the conduct and adequacy of safe drinking water research and state funding of drinking water programs. At the end of Fiscal Year 2003, the current authorization for the DWSRF will expire. As part of the Committee's efforts to meet the needs of the nation's drinking water delivery systems and reauthorize the DWSRF, the Committee will continue its review of the 1996 Amendments and the magnitude of any funding "gap" between identified resources and identified needs for drinking water delivery systems. In addition, the Committee will assess EPA's implementation of non-grant components of the 1996 SDWA Amendments, including compliance rates and future safe drinking water delivery challenges.

The Committee also will review EPA's implementation of Title IV of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 with respect to security of drinking water systems from terrorist attack.

DEPARTMENT OF DEFENSE COMPLIANCE WITH ENVIRONMENTAL LAWS

Last year, the Department of Defense (DOD) asserted that its ability to train the country's armed forces is being hampered by certain Federal environmental laws – three of which fall within the jurisdiction of the Committee. As the committee responsible for passage of the Federal Facilities Compliance Act, the Committee will review DOD's environmental activities and ascertain its record of clean-up effectiveness, ongoing monitoring, and compliance with Federal and state environmental laws and regulations. In addition, the Committee will examine DOD's actions in response to two GAO reports issued in the 107th Congress, which raised concerns about DOD's overall environmental efforts at Formerly Utilized Defense Sites.

HEALTH AND HEALTHCARE ISSUES

MEDICARE MODERNIZATION

Given the growing financial pressures facing the Medicare program because of an aging population, the Committee will continue to examine ways to strengthen and modernize the program for current and future generations. Today, Medicare consumes approximately 12 percent of the Federal budget – a number expected to increase to over 30 percent by 2030. In the 108th Congress, the Committee will review proposals to address program growth, examine the adequacy of existing Part A and Part B funding mechanisms, and review proposals to improve beneficiaries' basic benefit packages. Specifically, the Committee will explore initiatives that enhance beneficiary choice, provide patients with better access to preventive benefits and a catastrophic cap on out-of-pocket expenditures, and reform cost-sharing mechanisms.

CHILDHOOD VACCINE SHORTAGES

Since the summer of 2001, there has been a reported shortage of doses to protect children against eight of 11 vaccine-preventable diseases, including chicken pox, diphtheria, and whooping cough. According to the Centers for Disease Control and Prevention (CDC), this vaccine shortage is the worst in 24 years, causing vaccines to be unavailable to millions of children. Moreover, the number of domestic manufacturers of vaccines has dropped from 37 to four. In the 108th Congress, the Committee will examine the factors that may contribute to shortages of vaccines. In particular, the Committee will review whether government policies or regulations in this area provide disincentives to vaccine research, development, and production, and whether the Federal vaccine injury compensation and liability system is working effectively.

SAFETY OF BREAST IMPLANTS

Over the last several years, the Committee has monitored the oversight by the Food and Drug Administration (FDA) of the breast-implant industry and the safety and efficacy of saline-filled and silicone-filled breast implants. Under a provision of the medical device user fee law passed in the last Congress, the National Institutes of Health is required to issue a report this year on the safety of breast implants. In addition, FDA will be reviewing pre-market applications for silicone breast implants this year. Given these developments, the Committee will continue its review in this area during the 108th Congress.

FDA DRUG APPROVAL PROCESS REFORM

Last year, the Subcommittee on Oversight and Investigations held two hearings concerning ImClone Systems and the Food and Drug Administration (FDA) review and rejection of its cancer treatment drug Erbitux. This inquiry revealed inconsistencies in the drug review processes between the two FDA centers that consider drug applications and their policies for interacting with drug companies submitting such applications. By exposing these issues, the Committee helped spur a FDA reorganization of therapeutic drug reviews and other policy changes to improve the drug approval process. The Committee will continue to monitor and examine these FDA policy changes to improve the drug approval process during the 108th Congress.

PRESCRIPTION DRUG SAFETY AND ABUSE

In previous Congresses, the Committee has investigated safety and misuse concerns surrounding several prescription drugs approved for sale by the Food and Drug Administration (FDA), including the acne drug Accutane and the top-selling analgesic Oxycontin. In the 108th Congress, the Committee will continue to monitor issues relating to these two drugs, as well as FDA's pending evaluation of Palladone, another narcotic analgesic.

In the 108th Congress, the Committee also will continue its prior investigations into the safety of imported (and re-imported) drugs, including counterfeit or unapproved drugs and bulk ingredients imported for use in finished drug products. The Committee's efforts will include a continuing review of FDA activities to address the growing problems of prescription drugs being sold illegally to U.S. residents from Internet sites, and the potential consequences such activities pose to public health. In addition, the Committee will continue its review of the growing emergence of Mexican border pharmacies, and the potential threats such sources may pose to U.S. travelers seeking medicines from such sources. The Committee's efforts also will focus on what actions FDA, the Drug Enforcement Administration, and various mail couriers (including the U.S. Postal Service, FedEx, and UPS) are taking to prevent or limit a variety of dangerous drugs (including controlled substances) from illegally entering the United States. Finally, given FDA's pending

investigations of several cases of counterfeit finished drugs found by patients and pharmacists in the United States, the Committee will continue to examine the evolving nature of this issue and the efforts FDA and the pharmaceutical industry are taking to reduce this threat.

NURSING HOMES QUALITY OF CARE

As part of the Committee's jurisdiction over programs administered by the Department of Health and Human Services (HHS), including Medicare Part B and Medicaid, the Committee will examine quality-of-care issues in nursing homes during the 108th Congress. The Committee will monitor HHS' efforts to promote quality care in nursing homes, and whether consumers are receiving sufficient information to help them evaluate quality. Moreover, as part of the Committee's continuing oversight of corporate accountability, the Committee will review the management of publicly-traded nursing homes and the public disclosures to investors concerning the financial health of these companies, particularly given the recent bankruptcies (and subsequent reorganizations) of many of the largest nursing home chains.

CMS' MANAGEMENT OF THE MEDICARE AND MEDICAID PROGRAMS

In the 108th Congress, the Committee will continue to assess the management by the Centers for Medicare and Medicaid Services (CMS) of the fiscal intermediaries and carriers that are responsible for processing all Medicare claims and payments. Although CMS provides overall policy guidance for the administration of Medicare, day-to-day operation of the program is dependent on contractors that process beneficiary claims and make Medicare payments to healthcare providers. The Committee's prior oversight in this area has revealed how several of these contractors fraudulently misrepresented their performance, submitted false financial data, compromised the integrity of audits, and destroyed relevant documents in order to receive greater incentive payments from CMS – and how CMS failed to detect these activities because of lax oversight coupled with complex and often contradictory directives from CMS headquarters and regional offices. In response, CMS initiated significant efforts to reform its management of Medicare contractors, and has sought new authority to expand the types of entities that can serve as Medicare contractors. The Committee will continue to review CMS oversight of these contractors and examine the current contractor eligibility requirements and the Medicare claims payment system.

During the 108th Congress, the Committee also will continue efforts to streamline administrative and regulatory burdens on beneficiaries and providers. As part of this effort, the Committee will monitor CMS' implementation of the Balanced Budget Act of 1997 (BBA), the Balanced Budget Refinement Act (BBRA), the Benefits Improvement and Protection Act (BIPA), as well as any regulatory relief legislation that this Congress may pass. The Committee also will review the Medicare appeals process to evaluate its efficiency and effectiveness in

resolving disputes over Medicare coverage affecting the program's 40 million beneficiaries. The new Medicare appeals process was included in BIPA, which was enacted in 2000. In addition, these laws contain provisions having an impact on the Medicaid program and the State Children's Health Insurance Program (S-CHIP), which the Committee will review as well.

MEDICARE+CHOICE

In the 108th Congress, the Committee will continue to examine the Medicare+Choice market and the policies that affect plans' decisions to participate in the program. Over the last several years, hundreds of plans have withdrawn from the Medicare+Choice program, affecting more than 2.4 million beneficiaries. In addition, many plans have reduced benefits or increased beneficiary cost-sharing, making these plans less attractive to beneficiaries. The Committee will carefully examine these issues, and attempt to identify solutions that will guarantee that beneficiaries will continue to have access to Medicare+Choice plans.

PRESCRIPTION DRUGS

As part of the Congressional effort to enact a new prescription drug benefit for Medicare beneficiaries, the Committee will continue to review issues relating to prescription drugs. These issues will include assessing beneficiaries' pharmaceutical needs, utilization and expenditures, as well as the special circumstances of low-income seniors, and how all of these factors might relate to possible benefit designs. The Committee will examine innovative strategies for harnessing purchasing power to lower costs, and for providing better disease management for Medicare beneficiaries. In addition, the Committee will continue its oversight into the abuses associated with drug-price reporting practices, particularly the use of Average Wholesale Price ("AWP") to set reimbursements for both the Medicare and Medicaid programs.

THE UNINSURED

Forty-one million Americans lack access to health insurance. In the 108th Congress, the Committee will examine ways to expand insurance coverage to these individuals and improve the insurance marketplace.

MEDICARE PREVENTATIVE CARE

As part of its oversight of how the Centers for Medicare and Medicaid Services manages the delivery of health care, the Committee will continue to assess policies concerning beneficiary use and the cost effectiveness of clinical preventive benefits and services under Medicare.

PREVENTING WASTE, FRAUD AND ABUSE IN FEDERAL HEALTHCARE PROGRAMS

The Medicare program continues to be at risk of considerable losses due to waste, fraud and abuse. Because of the program's large size and scope – providing health care coverage for 40 million Americans, with expenditures in excess of $241 billion each year – the Committee will focus considerable attention on efforts to eliminate improper payments. In particular, the Committee will review Federal financial management processes and controls, and information technology and systems used to prevent and detect fraud.

The Committee also will examine Medicare reimbursement policies to identify and eliminate potential areas in which the program may be vulnerable to fraud and abuse. These initiatives will include an examination of reimbursements to hospitals, skilled nursing facilities, and other providers, including outlier payment issues. The Committee also will review issues relating to healthcare financing highlighted by the recent collapse of National Century Financial Enterprises. In this context, the Committee will examine the pace of reimbursement from Medicaid and Medicare programs, and the potential impact this may have upon providers and their reliance on risky and expensive cash flow financing from lenders such as National Century. The Committee also will examine how these financing arrangements may threaten healthcare providers with bankruptcy, as the National Century case has demonstrated.

REFORM OF THE MEDICAID PROGRAM

Medicaid is a program jointly funded by the Federal government and the States to provide healthcare coverage for approximately 44 million low-income Americans. In Fiscal Year 2001, Medicaid had total expenditures of $228 billion, with the Federal share equaling approximately 57 percent. It is estimated that total Medicaid spending for Fiscal Year 2002 will, for the first time, exceed spending for Medicare, and Medicaid spending is projected to double within the next ten years. On average, Medicaid currently consumes 15-20 percent of all state budgets, and is often the second largest budget item for States after education expenses.

The challenges inherent in overseeing a program of Medicaid's size, growth and diversity, combined with the open-ended nature of its Federal funding, places the program at risk for exploitation and waste. During the 108th Congress, the Committee will review the Medicaid program to assess its current operations and determine how they may be improved. These efforts will include examining the current system for financing Medicaid, and whether it may create incentives for States and providers to attempt to inappropriately obtain additional Federal funds. The Committee also will focus its attention on the needs of the elderly and disabled populations within Medicaid, and assess new strategies for improving the quality and cost effectiveness of the care they receive. In this regard, the Committee will examine state efforts to modify and improve the Medicaid program, and whether these efforts are meeting the needs of elderly and disabled beneficiaries.

IMAGE-GUIDED BIOPSY

In the 108th Congress, the Committee will examine why image-guided biopsy, a minimally invasive procedure used to determine if a patient has breast cancer, is used significantly less than surgical biopsy. Image-guided biopsy involves less cost to the patient and does not involve general anesthesia, unlike surgical biopsy. Yet surgical biopsy continues to be the method of biopsy most doctors use, despite the lack of data indicating that it is more effective or accurate than image-guided biopsy. Evidence also suggests that many patients are not made aware that they have an option for a less-invasive procedure. The Committee will review whether patients are receiving adequate information about this option, and whether the use of surgical biopsy over image-guided biopsy may result from the larger reimbursement rates under Medicare for the surgical biopsy procedure.

THE CENTERS FOR DISEASE CONTROL AND PREVENTION

Building on the Committee's prior oversight work to ensure the adequacy of Federal, state, and local efforts to respond to bioterrorism and other public health emergencies, the Committee will investigate ways to improve the grant making process at the Centers for Disease Control and Prevention to strengthen the capacity of the public health infrastructure at the state and local level. In particular, the Committee plans to review the effectiveness of current chronic disease prevention programs with respect to reducing the incidence of these diseases. The Committee also will review ways to improve infectious disease surveillance and control.

NATIONAL INSTITUTES OF HEALTH

Over the past five years, Congress has invested considerable additional resources into the National Institutes of Health (NIH), roughly doubling its budget. With approximately $27 billion per fiscal year, NIH is the largest source of funding for health research in the world. In Spring 2003, the Institute of Medicine is expected to release a report on the organizational structure of NIH, specifically focusing on whether the current structure is meeting the scientific research needs of the United States.

In the 108th Congress, the Committee will conduct an examination of NIH's organizational structure, priority setting, and research activities. In particular, the Committee will examine how NIH exercises oversight over grant-receiving institutions. During one of the Committee's investigations last year, the Committee learned that NIH was providing grants to the Coulston Foundation, a registered animal research facility in Alamagordo, New Mexico, which had recently declared bankruptcy and had been cited by two other Federal agencies for violations of various Federal regulations. This incident raises the question whether NIH oversight ensures that its grant funds are properly managed, and that grantee institutions are not in violation of Federal regulations.

HHS PROGRAMS AFFECTING CHILDREN AND FAMILIES

The Committee will continue to conduct oversight of Department of Health and Human Services grant programs that affect the health of children and families. The Committee will evaluate the current distribution of funding for these programs, assess whether the monies are being spent effectively, and examine the extent to which these programs comply with statutory requirements and Congressional intent. In addition, the Committee will review the implementation of those aspects of the welfare reform provisions that are within the Committee's jurisdiction. These provisions are scheduled for reauthorization this year.

ANTIBIOTIC RESISTANCE

In the 108th Congress, the Committee will review the efforts and recommendations of the Interagency Task Force on Antimicrobial Resistance, which was statutorily authorized under the Public Health Improvement Act of 1999 (P.L. 106-505). This oversight will involve assessment of the Federal surveillance and monitoring programs, prevention and control efforts, and research and development activities relating to antimicrobial resistance.

ORGAN DONATIONS

In the 108th Congress, the Committee intends to review the current organ donation system, and whether improvements can be made to the system in order to increase the availability of donated organs for patients on transplant waiting lists.

DRUG ABUSE TREATMENT & PREVENTION

For the last several years, the Substance Abuse and Mental Health Services Administration (SAMHSA) has been attempting to publish mandatory guidelines for testing of alternative specimens (such as hair, sweat, and oral fluid) and on-site testing techniques for potential drugs of abuse. These alternative testing matrices could help bolster the accuracy and capability of workplace drug testing. The Committee intends to examine the reasons for the delay in publication of these guidelines, and whether the process for issuing these guidelines can be expedited.

The Committee also will review more generally SAMHSA and the programs it administers, in order to identify strengths and weaknesses of the current grant structure. In addition, the Committee will examine the Administration's new initiative to help drug-addicted Americans find needed treatment.

MEDICAL LIABILITY INSURANCE

In the 108th Congress, the Committee will continue to focus on issues relating to medical liability insurance. In particular, the Committee plans to review the extent and causes of the medical liability insurance crisis, which may be contributing to providers' unwillingness to continue practicing in certain jurisdictions and in certain specialties.

PATIENT SAFETY

As part of its jurisdiction over public health, the Committee will continue to address the issues of patient safety and medical errors. In its 1999 report, *To Err Is Human*, the Institute of Medicine estimated that 44,000 to 98,000 Americans die each year as a result of medical errors. While there has been some dispute about the accuracy of these precise estimates, the Committee intends to explore possible incentives to encourage the healthcare industry to reduce medical errors, and will review the Federal government's overall role in promoting patient safety.

PEDIATRIC DRUG TESTING

Late last year, a Federal court ruled that the Food and Drug Administration (FDA) did not have the authority to issues its "Pediatric Rule," which required manufacturers of drugs and biologics to test their drugs intended for adults on children. In light of this decision, the Committee intends to review FDA efforts to ensure the appropriate testing of drugs in children, and will consider whether statutory changes are necessary.

GENERIC DRUG COMPETITION

The Food and Drug Administration (FDA) recently proposed a rule that would re-interpret the 30-month stay provision of the Hatch-Waxman Act, among other things. Prior to the re-interpretation, brand-name drug manufacturers, in limited instances, could obtain multiple 30-month stays to forestall generic competition. The proposed rule would allow for only one 30-month stay. The Committee intends to monitor FDA's promulgation of the final rule during the 108th Congress.

FOOD ALLERGEN LABELING

In the 108th Congress, the Committee intends to review whether the food industry is adequately labeling food products for the presence of eight major food allergens in a manner that is easily understood by consumers.

MEDICAL DEVICE ISSUES

Last year, the President signed into law the Medical Device User Fee and Modernization Act of 2002. Among other things, this legislation required device manufacturers to pay user fees to the Food and Drug Administration (FDA) for the review of their medical devices. In the 108th Congress, the Committee will conduct oversight in this area to ensure timely and effective implementation of this law.

ANIMAL DRUG ISSUES

Approval of animal drugs takes the Food and Drug Administration (FDA) longer than virtually any other drug application. In the 108th

Congress, the Committee will review the reasons for this delay, and consider whether it is necessary to develop a user fee program for animal drugs. Under such a program, industry would pay fees to FDA for review of animal drug applications and, with such fees, FDA would hire additional personnel in order to speed the animal drug review process.

TELECOMMUNICATIONS ISSUES

THE UNIVERSAL SERVICE PROGRAM

In previous Congresses, the Committee has reviewed the operations of the Universal Service Program administered by the Federal Communications Commission (FCC). Universal service was first implemented as a government policy with the Charleston Plan of implicit subsidies in 1951 as a means of ensuring that all Americans enjoyed a ubiquitous, reliable, and affordable communications system. Universal service policies were amended after the breakup of AT&T in the early 1980s and again in the 1996 Telecommunications Act. One of the changes made in 1996 was the expansion of the program to include the subsidization of telecommunications services provided to schools, libraries, and rural health care providers. In the 108th Congress, the Committee will review the effectiveness of the universal service program and evaluate several possible reforms, including whether the fund should be expanded to include additional services, whether the fund should be reduced to account for advances in technology, and whether the methodology for how funds are collected and distributed should be changed.

The part of the program focused on schools, libraries, and rural healthcare providers is known as the "E-Rate" program, and its roughly $2 billion annual fund is administered for the FCC by an independent company, the Universal Service Administrative Company. All telecommunications carriers that provide interstate and international services pay contributions into the E-Rate program, which are distributed by the FCC in the form of grants to schools, libraries, and rural health care providers. Recent reports by the FCC's Inspector General and certain public interest groups, as well as recent criminal charges filed by the Department of Justice, indicate the potential for significant fraud, waste, and abuse within the E-Rate program, and suggest a lack of effective oversight of the program by the FCC. In the 108th Congress, the Committee will investigate these reports.

HEALTH OF THE TELECOMMUNICATIONS SECTOR

The prosperity of the telecommunications and technology sector provided a driving force behind the unprecedented economic growth experienced by the United States from 1995 to 2000. The mass-market commercialization of the Internet and the passage of the 1996 Telecommunications Act unleashed a massive investment in telecommunications and Internet companies. This boom, however, turned to bust in 2000 and 2001, as new investment from Wall Street dried up. There has been much analysis and speculation regarding the reasons for

this change of fortunes in the telecommunications industry. Some analysts have suggested a glut in Internet backbone capacity led to the industry's decline; others have suggested that too many local exchange competitors had poor business plans. Investors also shifted from evaluating companies based on revenue growth to evaluating them based upon profitability – and few of these companies were making any profit. In addition, even companies that had been profitable, such as incumbent local exchange carriers and cable companies, faced a decline in profitability due to increased intermodal competition and the overall decline in both business and consumer spending. As a result, hundreds of thousands of employees of telecommunications service and manufacturing companies have lost their jobs and dozens of companies have filed for bankruptcy.

In the 108th Congress, the Committee will examine what caused the downward spiral of the telecommunications sector, whether the causes were purely business-related, or whether there were regulatory or policy reasons for the slowdown.

FCC IMPLEMENTATION OF THE 1996 TELECOMMUNICATIONS ACT

In 1996, Congress enacted a major overhaul of the country's telecommunications laws. Among the many changes made in 1996, two in particular have spurred a tremendous amount of interest and controversy. First, in order to spur multi-platform facilities-based competition among telecommunications providers, Congress required incumbent local exchange carriers (ILECs) to make parts of their networks available to competitors seeking to offer telecommunications services. These competitors then would be able to offer telecommunications services while they gradually built out their own networks. Second, the 1996 Telecommunications Act created, for the first time, a statutory distinction between telecommunications services (essentially transmission services in which information does not change content or form) and information services (which do alter the content or form of information that is being transmitted). Companies interested in offering competitive telecommunications services were granted rights such as the ability to interconnect with an incumbent's network, the permission to resell an incumbent's retail services, the opportunity to enable a telephone customer to keep his or her phone number even if he or she switched carriers, and the right to lease parts of an incumbent's networks and collocate equipment in an incumbent's offices. Information services, on the other hand, were essentially left unregulated.

There has been widespread disagreement about whether the rules implementing these provisions from the 1996 Telecommunications Act have been effective in achieving the goals of the Act. In the 108th Congress, the Committee will continue to examine the implementation of the 1996 Telecommunications Act by the Federal Communications Commission.

WIRELESS E-911 DEPLOYMENT

The Federal Communications Commission (FCC) has required mobile telecommunications service providers to put technology in their networks and/or consumer handsets that enable a public safety official to determine a wireless caller's location with a certain degree of accuracy. This program, known as E-911, has the potential to save lives in cases in which 911 emergency calls are made from mobile phones but the caller is unable to provide precise location information. However, the deployment of location technology in mobile networks and handsets has been slower than expected. In 2002, former FCC Chief Engineer Dale Hatfield led a study of E-911 implementation and made several findings. He cited the need to bring incumbent local exchange carriers into closer coordination with respect to E-911 implementation. Hatfield also recommended that the FCC urge stakeholders to develop industry-wide procedures for testing and certification of wireless E-911 to ensure that they meet the accuracy requirements specified in the Commission's rules. In addition, Hatfield recommended that there be closer cooperation between the FCC and local and state 911 operations.

In the 107th Congress, the Subcommittee on Telecommunications and the Internet held a hearing on the status of the implementation of E-911. In the 108th Congress, the Committee will continue its examination in this regard and explore the recommendations from the Hatfield report.

DIGITAL TELEVISION

In the Balanced Budget Act of 1997, Congress directed that the Federal Communications Commission (FCC) authorize broadcasters to convert from analog to digital signals by the end of 2006, and beyond 2006 in markets where a sufficient number of households cannot access a digital television signal. While many digital stations already are in operation in major metropolitan areas, the overall conversion to digital television has been criticized as being slow, unorganized and unrealistic. There are a number of open proceedings at the Commission that will impact the success of the transition to digital television. The Committee intends to monitor the FCC's actions in these proceedings to ensure the rapid deployment of digital television in all areas of the country in accordance with the schedule set forth in the Balanced Budget Act of 1997. Further, the Committee plans to continue its in-depth review of the transition to digital television to determine what barriers exist to its full development and deployment.

EFFICIENT USE OF SPECTRUM AND SPECTRUM MANAGEMENT

Management of spectrum within the United States is shared between the Federal Communications Commission (FCC) (governing private sector use of the spectrum) and the National Telecommunications and Information Administration (NTIA) (governing governmental use of the spectrum). Virtually all usable spectrum already has been allocated. The recent popularity and growth of the wireless telecommunications industry has increased demand for the allocation and assignment of additional spectrum in order to provide new services, such as third generation

("3G") wireless services and Wi-Fi. The tension created by the current shortfall has a significant impact on the U.S. economy and the ability of U.S. wireless providers to compete with wireless companies in other nations that are rushing to offer new wireless services. The Committee plans an extensive review of spectrum management functions in the 108th Congress, in order to ensure efficient use of spectrum, particularly by Federal government users. In addition, the Committee will review efforts to promote spectrum sharing that may be beneficial to the promotion of new wireless technologies.

MEDIA OWNERSHIP RULES

The 1996 Telecommunications Act mandated that the Federal Communications Commission (FCC) immediately liberalize a number of its broadcast ownership rules. On an ongoing basis, the Act also requires the FCC to review its ownership rules biennially to "determine whether any of such rules are necessary in the public interest as the result of competition." In September 2002, the FCC consolidated three pending broadcast ownership proceedings into a single Biennial Review on six broadcast ownership rules: the broadcast-newspaper cross-ownership rule; the local radio ownership rule; the television-radio cross-ownership rule; the dual network rule; the local television ownership rule; and the national television ownership rule. In addition to the Biennial Review, the FCC has before it a separate pending proceeding on the cable horizontal ownership cap. The need to reassess these ownership rules was made more urgent by the determination of the U.S. Court of Appeals for the District of Columbia Circuit that, if the Commission is to retain its media ownership rules in their present form, it must first justify their need. In the 107th Congress, the Committee corresponded with the FCC and met with its staff on these issues. The issue of whether the media ownership rules should be relaxed has many proponents and opponents and, during the 108th Congress, the Committee will monitor closely the FCC's progress in these proceedings. A decision on the Biennial Review is expected in Spring 2003.

ICANN

The Internet Corporation for Assigned Names and Numbers (ICANN) governs the management and registration of the domain name system. In the 108th Congress, the Committee plans to examine the structure and operations of ICANN, and its effort – along with that of the National Telecommunications and Information Administration – to privatize the domain name system and determine the rightful ownership of the root server. ICANN also will be selecting and approving an unspecified number of new Internet domains. Past ICANN selections of new domains have been met with considerable controversy, and the Committee will exercise oversight to ensure that the selection process is open, fair, and competitive.

DOT KIDS

During the 107th Congress, the "Dot Kids Implementation and Efficiency Act" was passed into law. That law requires the operator of the ".us" country-code domain to create and maintain the ".kids" secondary domain. In the 108th Congress, the Committee will monitor closely the implementation of the ".kids" domain to ensure that the site is created consistent with the content mandates of the law. The Committee also will exercise oversight over the National Telecommunications and Information Administration's role in the creation and publication of the ".kids" domain.

CONTENT PROTECTION AND ITS RELATIONSHIP TO E-COMMERCE

As the digital arena continues to grow, questions about the protection of intellectual property arise that never existed in an analog world. Because digital copies are as perfect as originals, the question of how to ensure content protection in a digital age is critical in the development of all digital distribution platforms. The methods by which to protect the right of digital content producers, however, may impinge on the traditional expectations that consumers have grown accustomed to from living in the analog world. There also is a threat that particular technological means of content protection may stifle e-commerce and the further development of the Internet. In the 108th Congress, the Committee intends to examine how developing technologies in digital rights management, including watermarking and deterrents for peer-to-peer file sharing, affect traditional content protections. Further, the Committee will review whether traditional content protections warrant any changes, and whether new mechanisms are necessary to strike the proper balance between protecting works and encouraging the continued growth of the digital economy.

INTERNET SPAM AND POP-UP ADVERTISEMENTS

Internet users are expressing increasing frustration over the growing number of unsolicited e-mails they receive from commercial vendors, as well as the frequency of pop-up advertisements during Internet use. In the 108th Congress, the Committee will examine the extent of this problem and any efforts by the government and private sectors to control or limit such practices.

THE CORPORATION FOR PUBLIC BROADCASTING

Congress created the Corporation for Public Broadcasting (CPB) in the Public Broadcasting Act of 1967. Historically, the Committee has been charged with monitoring the activities of CPB and authorizing appropriations. In the 108th Congress, the Committee will continue to review the level of Federal funding necessary for the continuation of public broadcasting from stations across the country. The Committee also will examine issues relating to the efficiency of CPB, its funding mechanisms, and its relationship to the national program distribution

services – the Public Broadcasting Service and National Public Radio. Further, the Committee intends to conduct an examination of the estimated transition costs of the public broadcasters for converting from analog to digital television, as well as the intended uses that public broadcasters have for this new technology.

HOMELAND SECURITY ISSUES

CRITICAL INFRASTRUCTURE ASSURANCE ACTIVITIES

In 1997, the President's Council on Critical Infrastructure Protections recommended that the Federal government initiate increased efforts to ensure that critical infrastructures within the United States, including the electric power grid, telecommunications and transportation systems, and water supplies, are adequately secure from threats posed by malicious actors, foreign governments, and terrorists. Partially in response to this report, President Clinton issued Presidential Decision Directive 63 and created the Critical Infrastructure Assurance Office, which was originally housed within the Department of Commerce but will soon be transferred to the new Department of Homeland Security. In 2001, President Bush expanded upon this structure, and included additional sectors of the economy within this framework. In the previous Congress, the Committee closely followed efforts to improve critical infrastructure protections and, in the 108th Congress, the Committee intends to continue to review infrastructure assurance efforts that affect areas within the Committee's jurisdiction. In particular, the Committee will review protection efforts in the electricity, energy, nuclear, postal/shipping, and information and telecommunications industries, as well as with respect to the food and drinking water supplies and the public health infrastructure.

Specifically with respect to the chemical sector, the Committee expects to receive in March 2003 a report it requested from the General Accounting Office (GAO) on issues relating to chemical facility security, and will review its findings and recommendations. The Committee also will review the efforts of Federal agencies and the private sector to assess the vulnerabilities of such facilities and enhance security measures, including the Department of Justice's implementation of the requirements of the Chemical Safety Information, Site Security and Fuels Regulatory Relief Act of 1999 and whether the Department has access to adequate funding for this purpose.

NUCLEAR SMUGGLING

Because of the large volume of imports and a limited number of resources, the United States Customs Service inspects only about two percent of all cargo containers entering U.S. ports. In addition, Customs' effort to target inspections to suspect shipments is hampered by its reliance on cargo manifest data that is often vague, incomplete, and inconsistent. Because of these limitations, Customs must implement non-intrusive technological devices in order to effectively scan cargo for nuclear and/or radiological materials.

The United States, principally through the Second Line of Defense program run by the Department of Energy (DOE), has installed over 300 sophisticated portal monitors in the former Soviet Union to detect the exportation of smuggled nuclear or radiological materials from those countries. Yet as of November 2002 there were no analogous systems in place in the United States to prevent the importation of nuclear or radiological material. As a result of this Committee's oversight in the 107th Congress, Customs has improved coordination with DOE and has begun to deploy radiation portal monitoring systems along the northern U.S. border in December 2002 and January 2003. Customs plans on installing additional portal monitoring systems along the northern border in the first quarter of 2003. In addition, as a result of past Committee oversight, FedEx and UPS have taken steps to heighten their security procedures to prevent the importation of nuclear material through their systems.

Considerable oversight of these areas will be required to ensure that the U.S. becomes better secured from these threats, and to ensure that scarce resources are not expended on ineffective technologies. In the 108th Congress, the Committee will continue to monitor Federal government and private sector efforts at border crossings, seaports, and mail facilities. The Committee's review will analyze and assess Customs' and DOE's efforts and equipment aimed at detecting and preventing the smuggling of dangerous commerce, particularly nuclear and radiological weapons of mass destruction.

BIOTERRORISM PREPAREDNESS AND RESPONSE

In the 107th Congress, the Committee's oversight of the adequacy of Federal, state and local efforts to prepare for and effectively respond to bioterrorism and other public health emergencies led to the passage of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. In the 108th Congress, the Committee will oversee the implementation of this Act by the Department of Health and Human Services (HHS), and the coordination between HHS and the Department of Homeland Security with respect to setting priorities and goals for bioterrorism-related research and preparedness activities.

As part of this review, the Committee will examine the implementation of pre-event smallpox vaccination of select groups of health care workers (including review of issues relating to liability and compensation for adverse events), as well as the Administration's Bioshield proposal to accelerate the development and stockpiling of new vaccines and countermeasures for dangerous biological agents. The Committee also will review HHS efforts in the area of education and training of certain categories of health care professionals, as well as the implementation of tighter regulatory controls on the possession, use, and transfer of dangerous biological agents.

Further, the Committee intends to monitor the Food and Drug Administration's (FDA) promulgation of rules intended to combat possible bioterrorist activities relating to food products by ensuring that FDA has additional information about foods entering the country and is better able to track food shipments throughout the country. Under last

year's bioterrorism law, FDA must promulgate by October 2003 final rules pertaining to prior notice of food shipments, registration of food facilities, record-keeping requirements, and administrative detention of food shipments.

PUBLIC SAFETY SPECTRUM

A major communications problem identified by the September 11 tragedy was the absence of interoperable spectrum used by public safety officials. Police, fire, and rescue personnel from different jurisdictions often are not able to communicate with each other using their respective communications devices because they operate using different, incompatible frequencies. Finding or creating spectrum bands that could be used for interoperability among different public safety operations is critical if the United States is to be prepared to prevent or mitigate another terrorist strike. Moreover, to the extent that spectrum currently encumbered by broadcasters during the digital transition might be slated for public safety once the broadcaster gives it back, this issue is tied to the digital television transition.

In the 108th Congress, the Committee will examine this interoperability and spectrum management problem, gathering information from public safety officials at the Federal, state, and local level, the Federal Communications Commission, manufacturers of equipment that could be used for public safety purposes, and carriers that offer communications services for public safety operations.

IMPLEMENTATION OF GOVERNMENT-WIDE CYBER SECURITY PROGRAM

The Homeland Security Act of 2002 included a separate legislative provision entitled the Federal Information Security Management Act, which reauthorized and enhanced a government-wide cyber security program under the direction of the Office of Management and Budget (OMB). In the 107th Congress, the Committee reviewed the efforts of Federal agencies within its jurisdiction to comply with the original government-wide cyber security law, which passed in October 2000. During the 108th Congress, the Committee will continue these efforts to ensure that Federal agencies are complying with the cyber security provisions of the new Homeland Security Act.

IMPLEMENTATION OF THE HOMELAND SECURITY ACT

Last year, Congress passed the historic Homeland Security Act of 2002, which created a new Department of Homeland Security to consolidate and coordinate homeland defense activities currently spread throughout the Federal government. The Committee's prior oversight and legislative activities in this area contributed significantly to the development and passage of this legislation. In the 108th Congress, the Committee will oversee the implementation of this new law as it pertains to matters within the Committee's jurisdiction, including critical

infrastructure protection, research and development, and emergency preparedness.

MISCELLANEOUS ISSUES

MISUSE OF GOVERNMENT PURCHASE AND TRAVEL CARDS

In 2002, the Committee's investigation of misuse of government purchase cards at agencies under the jurisdiction of the Committee spurred the Office of Management and Budget (OMB) to take an active role in restructuring and improving the purchase card programs at all Federal government agencies. In the 108th Congress, the Committee will continue to work with OMB to ensure that the new programs are successful in preventing fraud, waste, and abuse in the use of this procurement tool. The Committee also requested that the General Accounting Office (GAO) conduct an audit of the travel card program at the Department of Health and Human Services (HHS). This report is due to be completed in February 2003. The Committee intends to continue its review of the travel card programs at HHS and other relevant agencies.

U.S. House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

February 6, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Davis:

By direction of the Committee on Financial Services, and pursuant to clause 2(d)(1) of rule X of the Rules of the House of Representatives for the 108th Congress, I am transmitting herewith the Committee's oversight plan for the 108th Congress. The oversight plan was adopted by a voice vote, as amended, a quorum being present.

Should you have any questions, please contact me or the Committee's Parliamentarian and Director of Legislative Operations, Mr. Hugh Halpern, at extension 5-7502.

Sincerely,

MICHAEL G. OXLEY
Chairman

MGO/hnh
Enclosures

cc: The Honorable Barney Frank

[COMMITTEE PRINT]

108TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES

OVERSIGHT PLAN OF THE COMMITTEE ON FINANCIAL SERVICES FOR THE ONE HUNDRED EIGHTH CONGRESS

FEBRUARY 5, 2003.—Approved by the Committee on Financial Services, as amended.

Mr. OXLEY, from the Committee on Financial Services, submitted to the Committee on Government Reform and the Committee on House Administration the following

REPORT

Clause 2(d)(1) of rule X of the Rules of the House of Representatives for the 108th Congress requires each standing committee, not later than February 15 of the first session to adopt an oversight plan for the 108th Congress. The oversight plan must be submitted simultaneously to the Committee on Government Reform and the Committee on House Administration.

The following agenda constitutes the oversight plan of the Committee on Financial Services for the 108th Congress. It includes areas in which the Committee and its subcommittees expect to conduct oversight during this Congress, but does not preclude oversight or investigation of additional matters or programs as they arise. The Committee will consult, as appropriate, with other committees of the House that may share jurisdiction on any of the subjects listed below.

INTERNATIONAL FINANCIAL ISSUES

Annual report and testimony by the Secretary of the Treasury on International Monetary Fund Reform and the State of the International Financial System. The Committee will review and assess the annual reports to Congress from the Secretary of the Treasury on the International Monetary Fund (IMF) and the state of the international financial system. Pursuant to section 613 of Public Law 105-277, the Committee will hear annual testimony from the Secretary of the Treasury on: (1) progress made in reforming the IMF; (2) the status of efforts to reform the international financial system; (3) compliance by borrower countries with the terms and

conditions of IMF assistance; and (4) proposals to change the international sovereign bankruptcy system.

Basel Capital Accord. The Committee will continue to review proposals for a new Basel Capital Accord, which is an agreement by the G-10 central banks to establish common minimum capital standards for their banking industries. The members of the Basel Committee have been negotiating changes to the Basel Accord and are set to release their third and final consultative paper in March of 2003. The Committee will examine the need for the recommended changes to the current Basel Accord and address concerns related to the proposed capital charges for operational and credit risk. The Committee will address whether the proposed new capital charges will have a discriminatory effect on U.S. financial institutions and whether there are any other potential unintended consequences stemming from the proposed Accord.

Export-Import Bank of the United States. In the 107th Congress the Committee extended and revised the charter of the Export-Import Bank of the United States (Ex-Im) through the enactment of the Export-Import Bank Reauthorization Act of 2002 (Public Law 107-189). This legislation made significant changes to the operation of the "Tied Aid" program and strongly encouraged the Bank to increase its transactions with small businesses. Additionally, the Committee approved changes to the way the Bank evaluates and approves transactions that are subject to an anti-dumping or countervailing duty order. The Committee will oversee the implementation of these new mandates on the Bank and will examine the competitiveness of the Bank as compared to foreign export credit agencies. In order to assess their effect on Ex-Im competitiveness, the Committee will review any cases where the President invokes his Executive power to block Ex-Im financing due to foreign policy considerations.

U.S. Contributions to the International Financial Institutions. The Committee will review U.S. participation in, and the effectiveness of U.S. policy toward, the International Monetary Fund, the World Bank Group, and the regional multilateral development banks (MDBs). Special attention will be given to the continuing instability in Latin America, with particular emphasis on Argentina, Brazil, Venezuela, Colombia, and Haiti; on MDB involvement in the reconstruction of Afghanistan; on the implications for the International Financial Institutions of a war with Iraq; on proposals to change the international sovereign bankruptcy system; on efforts to improve the transparency of IFIs; on implementation of privitization programs sponsored by the MDBs; and on anti-corruption measures within the MDBs.

North American Development Bank. The Committee will monitor and conduct necessary oversight activities over U.S. involvement in the North American Development Bank (NADBank). Specifically, the Committee will review the joint reform proposal for the NADBank as agreed to by President George W. Bush and President Vicente Fox of Mexico.

Trade in Financial Services. With passage of the Trade Promotion Authority Act (Public Law 107-210), the Chairman and Ranking Minority Member of the Committee were named to the Congressional Oversight Group on Trade. In this capacity the Committee will be active in the oversight of trade negotiations and will

consult regularly with the U.S. Trade Representative on matters within the jurisdiction of the Committee. The Committee will monitor negotiations for increased trade liberalization and consult with U.S. counterparts to those negotiations. The Committee will examine the financial services and investment provisions of free trade pacts, including the Chile and Singapore Free Trade Agreements.

International Corporate Governance Issues. The Committee will continue to monitor various proposals by the European Union (EU) in the area of corporate governance. Those include efforts to adopt International Accounting Standards, the proposed EU Directive on Conglomerates and the Financial Services Action Plan (FSAP). The FSAP is a far-reaching reform of the EU's financial services sector, and as such will impact American companies, consumers and investors. The Committee is committed to working with U.S. and European regulators to ensure fair access to Europe's financial markets. The Committee will also monitor international implications of the recently-enacted Sarbanes-Oxley Act (Public Law 107-204).

International Debt Relief. The Committee will monitor and conduct necessary oversight activities regarding the implementation of legislation passed in the 106th Congress to authorize U.S. funding for the Enhanced Heavily Indebted Poor Country (HIPC) Initiative. The Committee will assess progress made by the IMF and World Bank in granting multilateral debt relief to qualified HIPC countries. The Committee will also monitor the development and adoption of poverty reduction strategies by the HIPC countries, and will assess compliance with other conditions on U.S. funding specified in the authorizing legislation. In addition, the Committee will assess the $1 billion shortfall in financing for the HIPC Trust Fund, as determined by the G-8 leaders at the June 2002 Economic Summit. The Committee will assess the effectiveness of the current HIPC initiative, as well as the need for reforms.

Administration's Millennium Challenge Account. The President announced on March 14, 2002 that the United States will increase its core development assistance by 50 percent over the next three years, resulting in a $5 billion annual increase over current levels. The additional funds will go to a new Millennium Challenge Account (MCA) designed to help developing nations improve their economies and standards of living. The Committee will monitor and assess the impact of the MCA on the MDBs and debt relief efforts. It will also assess efforts by the Secretaries of State and Treasury to work with the world community to develop clear, concrete and objective criteria for measuring progress in good governance, health and educational investment, and employing economic policies that foster economic freedom-all essential tenets of the MCA as proposed.

Global Fund to Fight AIDS, Tuberculosis and Malaria. The Committee will monitor and conduct necessary oversight activities regarding the implementation of the Global AIDS and Tuberculosis Relief Act of 2000 (Public Law 106-264) which authorizes an international trust fund, led by the United States and other donors, to address the crisis of AIDS and other infectious diseases through support of prevention, education and treatment efforts in sub-Saharan Africa and other hard-hit regions. This legislation laid the groundwork for the establishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund), which is a public-

private partnership headquartered in Geneva, Switzerland. The World Bank holds an ex-officio (non-voting) seat on the Global Fund's board and serves as the Global Fund's trustee and banker, while the Secretary of Health and Human Services is a voting board member. With the United States as the leading contributor to the Global Fund, the Committee must oversee its operations to ensure that the Global Fund and the World Bank operate effectively and on a timely basis in rendering funds and aid as required by the Global AIDS and Tuberculosis Relief Act. The Committee expects to receive testimony from the Secretary of the Treasury and other U.S. governmental entities with expertise on the Global Fund, such as the General Accounting Office (GAO). In addition, it will review the status of the World Bank's programs to reduce HIV/AIDS, such as the World Bank Multi-Country AIDS Program.

Coordination of International Financial Services Programs. The Committee will review the coordination among various Executive branch agencies in promoting financial services trade, including the priority and rank of such programs and program officials.

FINANCIAL SERVICES INDUSTRY/CONSUMER PROTECTION

FINANCIAL INSTITUTIONS

Implementation of USA PATRIOT Act. The Committee will monitor regulatory implementation by the Treasury Department and other relevant government agencies of the anti-money laundering and terrorist financing provisions of the USA PATRIOT Act (Public Law 107-56).

Money Laundering. The Committee will review enforcement of anti-money laundering laws and regulations, including but not limited to those enacted or implemented as part of the USA PATRIOT Act. This review will include examination of the administration's annual National Money Laundering Strategy, and consideration of whether to reauthorize the statutory provisions which require submission of the Strategy, which are set to expire in 2003. The Committee will also monitor the establishment of the new Department of Homeland Security to ensure that the anti-money laundering efforts of its component agencies continue.

Deposit Insurance Reform. The Committee will continue its review of proposals to reform the Federal deposit insurance system. During the 107th Congress, the Committee conducted comprehensive hearings on various aspects of the deposit insurance system, culminating in overwhelming House passage of reform legislation that was never considered in the Senate. The Committee's focus in this Congress will be on addressing inequities and potential economic distortions that exist in the current system, while ensuring that Federal deposit insurance continues to serve its historical function as a source of stability in the banking system and a valued safety net for depositors.

Implementation of Gramm-Leach-Bliley Act. The Committee will continue to monitor various aspects of the implementation of the Gramm-Leach-Bliley Act (GLB), the landmark financial modernization law enacted in 1999. Included in the Committee's review will be regulatory interpretations of (1) GLB's provision authorizing the Federal Reserve Board and the Treasury Department to define activities that are "financial in nature," and therefore permissible for

financial holding companies and financial subsidiaries to engage in; and (2) the Title II "push-out" provisions, relating to regulation of certain securities activities conducted within banking organizations. The Committee will also review government and private sector implementation of the financial privacy requirements of Title V of GLB, which give consumers notice and choice about how their financial information is used and disseminated by financial firms.

Fair Credit Reporting Act. In conjunction with the January 1, 2004, expiration of provisions that provide for uniform national treatment of certain aspects of the credit reporting process, the Committee will conduct a comprehensive review of the Fair Credit Reporting Act (FCRA). Among the issues that the Committee expects to consider are whether the uniform Federal standards established by the 1996 amendments to the FCRA have benefited consumers and the national economy, and what the consequences would be of allowing the States to set their own standards. The Committee will review other FCRA issues such as proposals to address the Federal Trade Commission staff's opinion letter relating to the treatment under the FCRA of employer investigations of employee misconduct (the so-called "Vail letter"); the adequacy of efforts by furnishers of credit reporting data and the credit bureaus to ensure the accuracy of information that appears in consumer credit reports; and the increasing use of credit scores to determine consumers' eligibility for everything from loans to auto insurance policies.

Financial Privacy and Identity Theft. In addition to examining privacy in the context of the FCRA and GLB, the Committee will conduct a broader review of financial privacy issues to determine whether existing government policies and industry practices provide sufficient protections for consumers. With the prevalence of identity theft increasing at an alarming rate, the Committee will focus particular attention on government and private sector initiatives to prevent identity theft and to assist victims of the crime.

Internet Gambling. The Committee will continue to monitor the use of financial instruments—which include credit cards, checks, electronic funds transfers and other alternative forms of payment—in unlawful Internet gambling. The Committee's review will focus on the potential misuse of illegal offshore Internet gambling sites to facilitate money laundering, terrorist financing, and other criminal activity, as described by the Department of Justice and the Federal Bureau of Investigation in testimony to the Committee last Congress.

Payments System Innovations. The Committee will review government and private sector efforts to achieve greater innovations and efficiencies in the payments system, including specific legislative proposals to facilitate greater electronic processing of paper checks.

Credit Unions. The Committee will continue to monitor the National Credit Union Administration's implementation of the Credit Union Membership Access Act of 1998. The Committee will consider other credit union issues in conjunction with its review of legislative proposals to offer depository institutions relief from outdated or unnecessary regulatory burdens.

Financial Supervision. The Committee will require Federal regulators to provide periodic updates on their safety and soundness su-

pervision of the banking, thrift and credit union industries, to ensure that systemic risks or other structural weaknesses in the financial sector are identified and addressed promptly. Several recent high-profile failures of depository institutions, involving large losses to the insurance funds relative to the asset size of the failed institutions, have raised questions about the effectiveness of prompt corrective action (PCA) and other supervisory tools for addressing troubled institutions.

Regulatory Burden Reduction. The Committee will review the current regulatory burden on banks, thrifts, and credit unions with the goal of reducing unnecessary or duplicative regulations consistent with consumer protection and safe and sound banking practices. The Committee's starting point will be the work done in the prior Congress in preparation for its consideration of the Financial Services Regulatory Relief Act of 2002 (H.R. 3951). In evaluating proposals to grant regulatory relief to financial institutions, the Committee will examine whether cost savings achieved through regulatory burden reduction are passed on to consumers.

Consumer Protections. In addition to issues addressed throughout this oversight plan that relate to consumers of financial services, the Committee will consider other specific consumer protection issues within its jurisdictional purview, including promoting greater financial literacy; ensuring the availability of credit and other financial products and services to low and moderate-income Americans; and examining proposed revisions to various titles of the Consumer Credit Protection Act, including the Truth in Lending Act and the Fair Debt Collection Practices Act.

Credit Card Regulation. The Committee will continue its review of credit card industry practices, as they relate to both consumer protections and the management of risk by card-issuing banks. The Committee's review will encompass recent regulatory guidance issued by the Federal banking agencies governing loss-recognition standards and other account management practices employed by credit card banks.

First Accounts/Electronic Transfer Accounts. In addition to monitoring the First Accounts Initiative, the Committee will continue to monitor the Treasury Department's implementation of the Electronic Transfer Account (ETA) program, along with for unbanked recipients of social security, veterans' benefits, and other Federal payments. A 2002 General Accounting Office study of this program found that the actual number of unbanked recipients of Federal payments may be twice the number originally estimated by the Department of the Treasury. The Committee intends to continue to seek ways to improve the effectiveness and efficiency of the ETA program, including exploring other electronic payment options to extend the program's reach and broaden the availability of low-cost financial services to the unbanked.

INFORMATION SECURITY

Data Protection. The Committee will continue its review of the policies and procedures of Federal and State governments and the private sector to protect sensitive information about consumers from improper disclosure, theft, or loss. The Committee will also review the benefits and costs of current government and private sec-

tor initiatives to protect the privacy of information they own regarding consumers.

Antifraud Network. The Committee will continue to review the inadequacies in current government procedures for information sharing on regulated financial companies and professionals. The Committee will continue its examination of both the need for a more comprehensive anti-fraud network to prevent financial crimes as well as better established procedures governing information sharing among government and quasi-government entities.

Cybersecurity. The United States has long been dependent on a complex of systems that link critical infrastructures to assure delivery of vital services. Cyberterrorism is an issue of growing national interest. Many believe terrorists plan to disrupt the Internet or other critical infrastructures such as transportation, communications, or banking and finance. The Committee will examine the financial services industry's susceptibility to a cyber attack and work to ensure the security of the financial services infrastructure.

Electronic Signatures and E-Commerce. The Committee will continue to monitor the evolution of electronic signature technology and laws to ensure that consumers are able to take maximum advantage of new electronic commerce financial products and services without undue burdens and with the proper level of security and communication protections.

INSURANCE

Insurance Solvency Regulation. The Committee will continue its examination of the National Association of Insurance Commissioners (NAIC) accreditation program that judges the adequacy of State insurance financial regulation. The Committee will focus on the steps the NAIC has taken to update the program since its inception in the early 1990's and will analyze other areas for improving the financial regulation of insurers.

Market Conduct Regulation. The Committee will review the need to modernize market conduct supervision to increase efficiency to better serve insurance consumers. The Committee will focus on the efforts of State insurance regulators to improve the quality and uniformity of market conduct oversight.

Agent Licensing Reform. The Committee will continue its review of the States' progress in passing and implementing uniform or reciprocal insurance agency licensing reform and what further measures may be necessary to promote uniformity in agent licensing.

Insurance Product Approval. The Committee will continue its review of the need to modernize the State product approval process to achieve uniformity, efficiency, and timeliness in the regulatory review of insurance rates and forms. This review will include an evaluation of the NAIC interstate compact proposal for life and health products as well as the NAIC improvements to State-based systems initiative for property and casualty products. The Committee will pay particular attention to State legislative efforts designed to adopt these proposals.

National Insurance Uniformity. The Committee will review various alternatives for modernizing the regulation of insurance, including State by State improvements, coordination of State regulation through the NAIC, Federal promotion of State uniformity, pro-

posals for an optional Federal charter, and other reforms for improving the efficiency and effectiveness of insurance regulation.

Terrorism Insurance. The Committee will continue to monitor the terrorism insurance marketplace and will conduct oversight of the Terrorism Risk Insurance Act of 2002 (Public Law 107-297) and its implementation by the Treasury Department, State insurance departments, and insurance underwriters, agents, and brokers, to ensure that the goals of the legislation are being met.

Workers Compensation Insurance. The Committee will examine the current state of workers compensation insurance to determine the reasonableness of the types of claims and charges being made, and to consider whether further efficiencies or anti-fraud mechanisms can be developed.

Insurance Marketing. The Committee will examine a number of consumer protection issues concerning the marketing of insurance products, potentially including the churning of life insurance, sales and marketing representations, coercion and pressure tactics, product bundling, and excessive premium charges for credit insurance and mortgage insurance.

Insurance Fraud. The Committee will continue its examination of the efforts by the States, the NAIC, and other entities, to locate and fight insurance fraud. Specifically, the Committee will consider legislation that addresses the problem of ineffective regulation in the area of viaticals while encouraging this relatively new industry to provide consumers a valuable service.

Insurance Consumer Protections. The Committee will examine the regulatory systems established by the States to protect consumers' insurance interests. The Committee will also examine the practice of recording consumer inquiries as part of consumer claim records.

Seniors' Retirement Needs. The Committee will review the insurance needs particular to those contemplating or currently in retirement, including the use of annuities, long term care insurance, insurance pension programs, 401(k)s, as well as nursing care insurance and other old age insurance programs. The Committee's focus will include newly marketed hybrid insurance instruments that incorporate features of securities and banking products. The Committee will examine whether seniors' assets are being adequately protected and whether Federal and State financial regulators are ensuring that seniors' products are being properly regulated without any gaps in functional oversight.

Risk Retention Act. The Committee will conduct a review of alternative risk transfer arrangements to determine their effectiveness in offering consumers alternatives to traditional property and casualty insurance products. The Committee will focus particularly on the Risk Retention Act of 1981 and its 1986 amendments.

Preemption of State Insurance Law. The Committee will review efforts by Federal agencies to preempt State laws governing insurance activities, and will also examine any controversial State insurance laws to ensure that they do not significantly interfere with Federally authorized powers of financial institutions.

Professional Liability Insurance. The Committee will examine the current crisis in many sectors of professional liability insurance to determine whether further efficiencies and reforms are needed to abate the crisis.

Insurance Litigation Reform. The Committee will review issues surrounding reform of asbestos insurance settlements, examining the reasonableness of fees and compensation awarded, determining to what degree the settlements serve the parties' interests, and considering how these costs effect the property and casualty insurance marketplace. In particular, the Committee will focus on the effect of excessive asbestos awards on other insurance consumers, including the impact on the long term affordability and availability of property and casualty insurance for consumers.

Holocaust Claims. The Committee will review efforts to ensure that restitution is made to Holocaust victims and heirs for confiscated bank accounts or payable insurance claims. The Committee will monitor the agreement of the German insurance industry to provide $275 million to pay Holocaust-era insurance claims and fund humanitarian purposes under an agreement with the international commission supervising the payment of claims.

Mold. The Committee will continue to investigate the potential deleterious effect of mold on homeowners and its effect on the insurance marketplace. The Committee will pay particular attention to the Center for Disease Control's literature review regarding the effects of indoor exposure to mold which is expected this spring.

Natural Disaster Insurance. The Committee will review the availability and affordability of natural disaster insurance for homeowners, and will consider proposals for improving insurers' access to capital in the reinsurance, banking, and securities markets to ensure adequate capacity and solvency of the industry to meet consumer needs. The Committee will pay particular attention to the potential benefits of natural disaster securitization, catastrophic reinsurance, and proper long-term reserving.

Homeowners' Insurance—Price Controls, Underwriting Criteria, and Availability. The Committee will continue its review of the ongoing crisis in homeowners' insurance availability in several States, including how State price controls diminish long term supply and options for coverage. The Committee will also examine how well different insurers' underwriting criteria are causally linked to future claims paying estimates, and the impact of such criteria on the homeowners' marketplace. This examination may potentially include how insurance claims and inquiries are scored, and how financial characteristics unrelated to a consumers' insurance history are factored into the sale of homeowners' insurance policies.

Corporate-Owned Life Insurance. The Committee may review the practice of companies obtaining life-insurance policies for certain employees, including any notifications given to those employees.

SECURITIES ISSUES

Sarbanes-Oxley Implementation. The Committee will monitor and review the implementation of the Sarbanes-Oxley Act, including agency regulatory actions and the work of the Public Company Accounting Oversight Board created by the Act.

Capital Formation. The Committee will review regulatory impediments to capital formation and seek both regulatory and market-based incentives for capital formation, including initial public offering (IPO) allocation, the role of venture capital providers, and ways to provide further incentives to enhance the supply of venture capital.

Investor Restitution. The Committee will examine the adequacy of investor restitution regulations and whether additional measures are necessary to make defrauded investors whole.

Double Taxation of Corporate Dividends. The Committee will examine the President's proposal to eliminate the double taxation of corporate dividends and its impact on investors and the capital markets.

Mutual Fund Fees. The Committee will undertake an examination of current trends in mutual fund fees, including the adequacy of disclosure to shareholders and the efficacy of that disclosure in promoting fee-based competition. Included in this review will be an examination of the benefits of providing dollar-specific fee information to investors on trade confirmations and/or shareholder account statements.

Portfolio Transaction Expenses in Mutual Funds. The Committee will examine the transparency of portfolio transaction expenses incurred by mutual funds and consider the benefits to shareholders of requiring that those expenses be included in funds' expense ratios, as well as what impact enhanced transparency of those expenses would have on churning by portfolio managers.

Rule 12b-1. The Committee will review the role of 12b-1 marketing fees and whether investors are benefiting from economies of scale as a result of 12b-1 plans. The Committee will also review whether changes to Rule 12b-1 are necessary as a result of developments in fund distribution.

Revenue Sharing Payments. The Committee will also examine revenue-sharing payments, also called distribution fees, made by mutual funds to brokerage firms to get access to their brokers. The Committee will explore the transparency of these arrangements, which may create conflicts of interest, and whether regulatory action is warranted.

Soft-Dollar Practices. The Committee will examine the role of "soft-dollar" arrangements (such as providing computers or office space in lieu of payment) and the regulation and transparency of those arrangements, as well as their impact on investors, in particular with respect to mutual fund investors.

International Accounting Practices. The Committee will review the work of the International Accounting Standards Board and the impact and importance of international accounting standards.

Securities Investor Protection Corporation. The Committee will review the operations of the Securities Investor Protection Corporation and proposals to improve its effectiveness.

Credit Rating Agencies. The Committee will examine the role of credit rating agencies, including whether there are conflicts of interest that should be disclosed to investors, and whether there are any barriers to entry.

Money Laundering. The Committee will examine the potential use of mutual funds in money laundering, and consider what regulatory steps may be necessary to combat such activity.

Reducing Barriers to Efficiency for Mutual Fund Shareholders. The Committee will review the impact of certain restrictions under section 17(a) of the Investment Company Act of 1940 on the efficiency of trading by mutual funds, in particular, in light of increasing affiliations among financial services firms in the wake of Gramm-Leach-Bliley.

The Role of Mutual Funds in the Technology Bubble. The Committee will examine the role that mutual funds played in the creation of the so-called "technology bubble," with a focus on the hundreds of technology and Internet funds established in the 1990's.

Corporate Governance. The Committee will examine the role and actions of directors of public companies and mutual funds, to ensure shareholders' interests are being served.

Portfolio Transparency. The Committee will consider ways to improve transparency of mutual fund holdings to investors, including the proposed rule currently under consideration at the SEC.

Proxy Voting. The Committee will monitor the implementation of the Commission's rule requiring funds to disclose the votes they cast on behalf of their shareholders.

Securities Future Products. The Committee will review efforts to implement the provisions of the Commodity Futures Modernization Act of 2000 with regard to the trading of futures contracts based on securities. The Committee will undertake an analysis of the rules proposed thus far and their effectiveness in promoting broad and liquid security futures markets in the United States.

Retirement Plan Management. The Committee, working with other Committees of jurisdiction, will examine the factors that influence selection of fund managers by retirement plan trustees.

Market Structure. The Committee will review recent developments in the structure of the U.S. capital markets to determine what regulatory or other changes might further benefit competition and improve prices for investors.

Investor Education and Literacy. The Committee will continue to promote efforts to increase investor education, with a focus on fees and expenses, particularly in the mutual fund area.

Analyst Conflicts. The Committee will monitor the implementation of new rules affecting securities analysts to evaluate their efficacy in fighting conflicts of interest.

Investment Banks and Accounting Fraud. The Committee will review the report by the GAO on the role of investment banks in the Enron collapse.

IPO Allocation. The Committee will review current practices regarding allocation of IPOs and proposals to improve this process to increase investor access to IPOs as well as market efficiency and transparency.

Financial Markets and the 9/11 Terrorist Attacks. The Committee will review studies pertaining to the recover of the financial markets from 9/11 terrorist attacks and disaster recovery planning efforts by financial regulatory agencies and the financial services industry.

Hedge Funds. The Committee will monitor the review by the SEC of the regulation of hedge funds, and consider the implications to U.S. markets if the hedge fund business were to move offshore. The Committee will also examine the access to hedge funds by investors and the risk disclosures that hedge fund investors must receive.

GOVERNMENT SPONSORED ENTERPRISES

Federal Home Loan Bank System. The Committee will monitor various regulatory initiatives undertaken by the Federal Housing Finance Board, which oversees the Federal Home Loan Bank Sys-

tem, including proposals to allow members of the System to belong to more than one of the twelve Federal Home Loan Bank districts, and to require the Federal Home Loan Banks to register the capital stock they sell to members with, and periodically report to, the Securities and Exchange Commission (SEC), under the Securities Exchange Act of 1934.

GSEs and Financial Disclosure. In July 2002, Fannie Mae and Freddie Mac agreed to voluntarily register their common stock under the Securities Exchange Act of 1934. Registration under the that Act triggers periodic disclosure requirements about the financial condition and management of companies that issue securities. The Committee will examine transparency and market discipline for the Government Sponsored Enterprises, including and the status of the voluntary registration by Fannie Mae and Freddie Mac under the Securities Exchange Act of 1934, the contents and recommendations of the study on MBS disclosure, and proposed financial disclosure by the Federal Home Loan Banks.

OFHEO's Risk-based Capital Standard. During the 107th Congress, the Office of Federal Housing Enterprise Oversight (OFHEO) finalized a risk-based capital rule for Fannie Mae and Freddie Mac. This regulation specifies the stress test to be used in determining the risk-based capital requirements for the two GSEs and, along with the minimum leverage capital requirement, the capital classifications for purposes of possible supervisory action. The Committee will hold hearings to review the initial stress test results, OFHEO's proposed changes to the risk-based capital rule, OFHEO's enforcement of the rule, and related safety and soundness issues, such as GSE interest rate risk management and duration gap.

GSE Regulatory Restructuring. Regulation of the housing GSEs is widely dispersed. The Office of Federal Housing Enterprise Oversight, an independent office within the Department of Housing and Urban Development, regulates the safety and soundness of Fannie Mae and Freddie Mac. HUD regulates Fannie Mae and Freddie Mac for mission compliance by setting affordable housing goals, approving new business activities, and conducting fair lending reviews. Similarly, the Federal Home Loan Banks are regulated by the Federal Housing Finance Board, an independent agency within the executive branch. Its purpose is to ensure that the FHLBs operate in a financially safe and sound manner and carry out their affordable housing and community investment mission programs. The Committee will examine whether the existing GSE regulatory structure should be reformed, whether the supervisory and enforcement powers of GSE regulators should be strengthened, and whether funding for GSE regulators should be subject to the Congressional appropriations process.

HOUSING ISSUES

Mortgage Finance Reform/Real Estate Settlement Procedures Act. The Committee may conduct additional hearings on the Department of Housing and Urban Development's (HUD's) proposed Real Estate Settlement Procedures Act (RESPA) rule. On July 29, 2002, HUD published its proposed rule to reform the Real Estate Settlement Procedures Act in the Federal Register (Vol. 67, No. 145) for a 90-day public comment period ending on October 28, 2002. The

proposed rule addresses the issue of loan originator compensation, reforms HUD's Good Faith Estimate (GFE) settlement cost disclosures and removes other regulatory barriers to allow guaranteed packages of settlement services and mortgages offered to consumers. The Committee held a hearing on the proposed RESPA rule on October 3, 2002, and heard testimony from the Secretary of Housing and Urban Development, Mel Martinez. A second hearing on the RESPA rule will allow industry and consumer groups the opportunity to express their views on the proposed rule.

Annual Budget Review of Housing and Urban Development, Rural Housing Service, National Reinvestment Corporation and the National Flood Insurance Program. During each session of the 108th Congress, the Committee will conduct a hearing to consider the Administration's proposal for the budget request for the coming fiscal year. The Committee will review and hear testimony from the Administration on those budgets under the jurisdiction of the Housing Subcommittee. Testimony is expected from the Department of Housing and Urban Development, Rural Housing Service, National Reinvestment Corporation and the National Flood Insurance Program.

Federal Housing Administration. The Committee may conduct a hearing to review recent increases in Federal Housing Administration (FHA) default rates. HUD insures mortgages and loans made by HUD-approved lenders for a wide variety of purposes, including new construction, rehabilitation, property improvement, and refinancing in connection with a wide variety of types of property. FHA programs include all types of residential property (multifamily, single family, manufactured homes), nonresidential commercial property, hospitals and certain other healthcare facilities. These efforts are designed to encourage lenders to make credit more readily available and at lower rates for various purposes that might otherwise go unmet. Recent reports indicate that the FHA mortgage insurance program is operating with very high delinquency rates. The number of single family FHA loans reported to be delinquent (at least 30 days past due) was 11.62 percent at the end of the 3rd quarter of 2002. The number of FHA loans in the foreclosure process was 2.46 percent. This is compared to a 3.04 percent delinquency rate and 1.15 percent in the foreclosure process for conventional loans at the end of the 3rd quarter of 2001.

HUD Management Reform and Staffing. The Committee will conduct a comprehensive review of HUD's management and staffing initiatives implemented in the past five years. Even though GAO has removed HUD's designation as a "high risk" agency (first assigned in 1994) about 70 percent of the agency's programs are still classified by the GAO as at high-risk for waste, fraud, and abuse. Weaknesses continue in HUD's single-family mortgage insurance and rental housing assistance programs. With a significant number of Federal workers scheduled to retire in the next 5 to 10 years, the Committee will investigate the technical and administrative needs of the agency to determine ways to assist the agency in continuing to meet its statutory obligations.

HOPE VI. The Committee will conduct a comprehensive review of the HOPE VI program to facilitate a meaningful reauthorization process. The HOPE VI program is a demolition and revitalization program designed specifically to address problems with severely

distressed public housing developments. This program provides incentives for Public Housing Authorities (PHAs) and private entities to form partnerships and create mixed-finance and mixed-income affordable housing. The activities permitted under HOPE VI include, but are not limited to: the capital cost of demolition, major reconstruction, rehabilitation and other physical improvements. As part of its review, the Committee will consider greater access for smaller PHAs. In addition, other reforms and questions will be reviewed by the Committee, such as displacement of existing tenants and the net loss of affordable housing units.

HUD Related Reauthorizations. The Committee will review, for appropriate action, expired—and expiring—authorizations relating to HUD.

Section 8. The Committee will conduct a comprehensive review of the Section 8 program. There is considerable concern over the rising costs of the Section 8 program, which consumes over 50 percent of the total HUD discretionary budget each fiscal year. Concern has been expressed about unspent Section 8 funds that have accumulated in the reserve accounts of some Public Housing Authorities (PHAs). The Committee's review will include an in-depth look at the formulas used, administrative fees, reserve accounts, HUD's administration of the program, and the consequences of recaptured Section 8 funds.

Public Housing. The Committee may conduct a comprehensive review of the Public Housing program, including HUD's implementation of the program, the trends in operating subsidy, capital modernization, the role of the private sector in potential investment and finance of rehabilitation and modernization, and the role of Federal funds in the public housing account to train and employ existing PHA tenants as authorized under section 3 of the Housing and Urban Development Act of 1968.

Minorities and Homeownership. The Committee will conduct hearings to review homeownership rates, particularly for underserved markets, e.g., minorities, inner-city neighborhoods, and women. The overall homeownership rate is approximately 68 percent; however, the average homeownership rate for African Americans and Hispanics is in the 40th percentile. The Committee will focus on homeownership disparity in order to fine-tune government policies, practices, and incentives that may preclude successful lending and ownership.

National Flood Insurance Program. On January 13, 2003, the President signed legislation to reauthorize the National Flood Insurance Program (NFIP) through December 31, 2003 (Public Law 108-3). This one year reauthorization will allow the Committee to conduct a comprehensive review of the program and to consider changes to make the program more cost effective.

Rural Housing Service Multifamily Program/Rural Housing Prepayment. The Committee will review the Rural Housing Service (RHS) multifamily rental programs, specifically housing laws prohibiting prepayment of the debt of government-financed mortgage loans and recent trends in multifamily rural production in the loan guarantee and direct loan programs.

Community Development Block Grants. The Committee will review the Community Development Block Grant (CDBG) program

and focus on management and operation of the program, including the timely expenditure of CDBG funds.

Oversight of the Housing Authority of New Orleans and the Puerto Rico Public Housing Authority. On June 4, 2001, the Subcommittee on Oversight and Investigations held a hearing on the problems associated with the Housing Authority of New Orleans (HANO). The Committee will continue its review of HANO to determine if HUD's administrative receivership has lead to significant improvements in both HUD's and HANO's management and operation. In addition, the Committee will review measures taken by HUD to correct widespread abuse in contracting and program management uncovered at the Puerto Rico Public Housing Authority, the second-largest public housing authority in the country. In July 2000, HUD's Inspector General wrote to Congress and expressed serious concern with the adequacy of the measures HUD had taken to address the waste and loss of Federal funds by the Puerto Rico Public Housing Authority.

Oversight of HUD and Rural Housing Service Financial and Information Systems. The Committee will conduct a comprehensive review of the financial and information systems at HUD and RHS. The lack of timely and comprehensive information continues to hamper both HUD and RHS' ability to monitor the progress of programs and the use of its funds. The delay in the distribution of funds to communities continues to be a source of frustration for State and local governments and non-profit organizations. Over the years, significant funds have been spent to modernize financial and information systems; yet HUD and RHS are still unable to provide pertinent data necessary to monitor and administer the programs under its jurisdiction. The Committee will investigate how best to address this crucial problem.

Oversight of HUD's Public Housing Assessment System. The Committee will review HUD's Public Housing Assessment System (PHAS) programs. The promise of the use of technology to streamline the PHAS has yet to be realized. In fact, it is only being used by project-based public housing programs.

Faith-based Housing Initiatives. The Committee may conduct an oversight hearing on the participation of faith-based organizations in certain HUD programs. Over the years, Congress has enacted several provisions of law—known as "charitable choice" provisions that are intended to expand the involvement of faith-based groups in the delivery of a variety of the social programs. Congress has not enacted any similar law in the context of housing programs. On December 16, 2002, President Bush issued Executive Order 13279, Equal Protection of the Laws for Faith-Based and Community Organizations, which requires HUD to revise its regulations to implement the President's faith-based initiative. On January 6, 2003, HUD issued proposed regulations, designed to further enhance the participation of faith-based organizations in certain HUD programs. (Participation in HUD Programs by Faith Based Organizations: Providing for Equal Treatment of All HUD Program Participants; Proposed Rule, 68 Federal Register 648, January 6, 2003.)

Homelessness. The Committee may conduct hearings on the issue of homelessness, including a an analysis of the estimated number and profile of homeless persons in America, a review of HUD programs which provide housing and services to the homeless, and a

review of the adequacy of those programs and funding levels in addressing the problem of homelessness.

Housing Production. The Committee may conduct a hearing or series of hearings on the extent to which the existing housing stock meets the demand for affordable housing by low-income families, seniors, and disabled persons; a review of existing housing programs which are used in the construction or substantial rehabilitation of affordable housing units; and strategies for developing additional affordable housing units.

Housing Preservation. The Committee may conduct a hearing on the issue of preservation of federally assisted housing. Issues may include the ongoing impact of Section 8 opt-outs and prepayments on the stock of affordable housing, review of the implementation of the 1997 Mark-to-Market legislation, and review of the implementation of the mark-up-to-market and enhanced vouchers provisions of Title V of the FY 2000 VA-HUD Appropriations bill.

Fraud in the Housing Industry. The Committee will examine national and regional incidents of fraud in the housing and mortgage industry, its impact on the housing market and the affordability of mortgages, the response of Federal and State regulators, private financial institutions, and government sponsored enterprises, and the use of appraisals in this type of fraud.

ECONOMIC DEVELOPMENT

Development of Economic Opportunities. The Committee will review economic development programs under the Committee's jurisdiction, including programs administered by the Appalachian Regional Commission, the Economic Development Administration, and the newly created Delta Regional Authority. Reauthorization will be considered when appropriate.

Reauthorization of the Defense Production Act. The Committee will review the performance of the Defense Production Act, which expires at the end of the current fiscal year, in preparation for its possible reauthorization.

Community Development Financial Institutions Fund. In reviewing the expired authorization of the Community Development Financial Institutions (CDFI) Fund, created in 1994 to promote economic revitalization and community development, the Committee will examine the record of the Fund in implementing reforms pledged in 1997 to eliminate irregularities in the grant making process identified during the course of an investigation by the Subcommittee on General Oversight. The Committee will monitor the CDFI Fund's implementation of the New Markets Tax Credits program, which was part of the Renewable Communities and New Markets initiative enacted into law during the 106th Congress.

PRIME. The Committee will examine the implementation of a new microenterprise lending program—the Program for Investment in Microentrepeneurs Act, otherwise known as the PRIME Act—that was included in GLB.

FEDERAL AGENCIES/AGENCY PROGRAM ISSUES

Management/Reform of the Federal Reserve System. The Committee will conduct oversight of the operations of the Federal Reserve System, including the System's management structure, its

role in providing financial services and in handling the clearing of paper checks, as well as its conduct of monetary policy. Special attention will be given to possible consolidation of operations, use of technology, control and oversight mechanisms, budget processes, pay and benefit levels, system-wide strategic planning and issues involving security.

Federal Reserve's Conduct of Monetary Policy. The Committee will hold hearings to receive the Chairman of the Federal Reserve Board of Governor's semi-annual reports on the conduct of monetary policy. As part of this effort, the Committee will review issues associated with monetary policy and the state of the economy, such as developments in employment, productivity, and investment.

Oversight of Agency Management Practices and Outcomes. The Committee will conduct oversight of the operations of all agencies under its jurisdiction to ensure disclosure of all material assets, liabilities, and costs of operations; to review agencies' measures taken to minimize waste and inefficiency; to assess the impacts of agency actions on the financial services industry; and to determine if the agencies are operating at the most efficient level of resources. The Committee will require the Federal regulators to report on the state of the financial services industry in order to alert Congress to any emerging weaknesses and supervisory measures being taken to counter such weaknesses. The Committee will review, for appropriate action, expired-and expiring-authorizations relating to the agencies.

Economic Security. The Committee will explore the need for Federal economic and financial regulators to prepare for and provide a coordinated response to economic events which threaten the Nation's economic security.

COINS, CURRENCY AND PAYMENT SYSTEM ISSUES

Management of the Nation's Money: Activities of the Bureau of the Mint and the Bureau of Engraving and Printing. The Committee will conduct oversight of the activities of these Treasury bureaus as they relate to the printing and striking of U.S. currency and coins, and of the financing and minting of circulating and commemorative coins. The Committee will review the efficiency and productivity of these bureaus' manufacturing operations, as well as the Numismatic Public Enterprise Fund. Technical changes to the authorizing statute for the latter will also be considered. The Committee will conduct oversight of issues relating to the circulation patterns of coins and currency, with an eye towards maximizing their availability and usefulness while minimizing the cost to taxpayers. In particular the Committee will focus on issues relating to the new one-dollar coin, including circulation patterns, U.S. Mint production-allocation decisions, a true unit cost of production for the dollar and other coins, management of the dollar-coin program throughout its life to date, the type and nature of the Mint's expenditures on outside advertising and public relations firms for this and other initiatives. The Committee also will analyze and conduct appropriate oversight related to recent Treasury Office of Inspector General reports relating to the Mint and Bureau of Engraving and Printing covering security, hiring, real-estate use and similar issues, and will consider the need for a U.S. Mint museum in Washington, D.C.

Electronic Commerce and Payment Systems. The Committee will continue to assess the domestic and international implications of new innovations in electronic money and electronic payment systems. Among the issues the Committee may examine are soundness, security, privacy, access to new electronic payment methods, eligibility criteria for issuing new payment methods, competing government regulation, threats posed to critical infrastructures such as the payments system, and new-technology methods of authenticating transactions and minimizing fraud.

Counterfeiting. The Committee will continue its review of efforts to detect and combat the counterfeiting of U.S. currency in the United States and abroad. Particular attention will be paid to anti-counterfeiting successes by the United States Secret Service, especially in South America, and to ways those efforts can be made even more effective. The Committee will also monitor the migration of the Secret Service from the Treasury department to the new Department of Homeland Security, to ensure that the restructuring will not diminish the service's anti-counterfeiting effectiveness. Also, the Committee will examine the integrity of other countries' currencies, including counterfeiting of those currencies, to monitor any threats posed to the U.S. or world economies, and consider proposals to allow the Bureau of Engraving and Printing to aid other countries in efforts to strengthen the security of their currencies.

Committee on Government Reform
Oversight Plan
108th Congress
Honorable Tom Davis
Chairman

Rule X, Clause 2(d) of the Rules of the House requires each committee of the House to adopt and submit a two-year oversight plan to the Committees on Government Reform and House Administration by February 15 of the first session of Congress. The following is the oversight plan for the 108th Congress for the Committee on Government Reform. It details areas in which the committee and subcommittees plan to conduct oversight, but does not preclude investigation into additional matters as the need arises.

Activities for the 108th Congress
Full Committee

Hearing on the National Commission on the Public Service ("Volcker Commission")

The recent issuance of the Volcker Commission report gives the Committee the opportunity to look into improving the Federal government. The report provides 14 recommendations for reforming government broken into three groups: government organization; government leadership; and operational effectiveness in government. The recommendations range from reauthorizing the executive branch reorganization authority to streamlining the appointments process, to reforming the Federal pay system. Almost all of the recommendations fall within the Committee's jurisdiction and provide an excellent template for evaluating the organizational structure and effectiveness of the Federal government. An early hearing is contemplated to discuss the findings with the Commission's members with the intent of developing legislation this spring.

The General Accounting Office "High-Risk" List

At the beginning of each Congress, the General Accounting Office releases its Performance and Accountability and High-Risk Series. These reports highlight those Federal programs and functions that are especially vulnerable to waste, fraud or mismanagement. GAO's January 2003 high-risk list included 25 high-risk federal programs, up from 23 in 2001. The Committee will use these reports as an oversight guide, focusing on those programs that are perennial high-risks. The Committee will also review those programs that are new to the list and examine the reasons why certain programs were removed from the list.

Office of Management and Budget Circular A-76 ("Circular A-76")

Circular A-76 provides guidance for conducting cost comparison studies through managed competitions in order to determine whether an agency's commercial activities should be performed in-house by Federal employees, by another Federal agency or by a contractor. Agencies, employees, and contractors are concerned that, in practice, the current policy results in

a lengthy, complex, and often burdensome process. Therefore, the Administration has recently overhauled the A-76 procedures. The Committee on Government Reform should conduct hearings to examine the new procedures and hear from agencies, employees, and contractors about their perspectives on the revisions.

Transportation Security Administration Contracting

The new Transportation Security Administration (TSA) has faced enormous problems in securing our Nation's airports. The new agency has had to rely on contractors to set up the new airport security infrastructure. Given the critical nature of its mission, TSA had to award large contracts very quickly and often time with a minimum of competition. This presents a fertile pasture for fraud, waste, and mismanagement. The Committee, in its role of overseeing government-wide procurement, will undertake a careful review of the major contracts awarded by TSA over the last year. This will enable the Committee to assess whether TSA exercised appropriate controls over the award process and whether it is providing proper oversight and management control over the performance of its contractors.

NASA Contract Management

NASA spends over $12 billion per year through its contracting program. For over a decade the GAO has identified NASA's contract management as a high risk area. In addition to maintaining poor financial and management systems, NASA has failed to place emphasis on end results, product performance and cost control. As recent tragic events have shown there is no room for error or poor management in our critical space program. The Committee, under its jurisdiction over government-wide procurement, will delve into NASA's troubled contract management process with an eye towards aiding the agency in transforming its culture and processes so that it will ultimately be able to ensure that its contracts are being efficiently and effectively implemented.

Department of Energy Contract Management

The Department of Energy spends more on contracts than any other agency other than the Department of Defense. Contractors carry out most of the Department's missions and operate its laboratories and other facilities. The GAO has placed Energy's contract management on its high risk list because of ongoing problems in the selection of the appropriate contract types, in using competition in contract awards, incorporating performance-based measures into contracts, and in cost and schedule overruns. The Committee, as part of its jurisdiction over government-wide procurement, will review Energy's procurement function from top to bottom to highlight particular problem "hot spots" and assist the Department in developing improved management and oversight processes.

Department of Veterans Affairs Schedule Procurements

The Department of Veteran's Affairs manages national schedule contracts that are mandatory for pharmaceutical purchases for all VA healthcare facilities. The schedule contracts also are used by other government agencies, particularly the Department of Defense. I have

requested that GAO undertake a review of these critical multi-million dollar schedules, which have operated under the radar screen for years. The Committee will review this program to try to ascertain how prices are established; who within the Federal government is using the schedules; and the extent of competition to obtain a schedule contract.

The Government Performance and Results Act

The Government Performance and Results Act provides Congress with a tool to discover what agencies are accomplishing. It seeks to shift the focus of government decision-making and accountability away from the process of government, and become more focused on what the government is actually doing. Focusing on competition, results and accountability to its customers are the qualities that make a private corporation successful. Therefore, the Federal government needs to become more accountable to its customer, the American taxpayer, in order to ensure its success. During the 108th Congress, the Committee will use the Results Act to ensure that we have a government that works better and costs less. The Committee will utilize the Results Act to: (1) examine agencies' annual performance reports and review whether agencies' goals and objectives are being met; (2) evaluate programs to see if they are duplicative and overlapping; and (3) enforce accountability when goals and objectives are not met by providing information to the appropriate authorizing and appropriations committees. The Committee also intends to work closely with Inspectors General throughout government to verify that the information being provided to Congress and the public is correct. In addition, August 3, 2003, is the ten-year anniversary of the Results Act, and the Committee is working with GAO to answer the following questions: Has government accountability improved since enactment? Is the Results Act losing rather than gaining influence in agency decision making? What are the barriers to successfully implementing the Results Act? Are Results Act reforms needed so that government accountability remains integral in agency decision making (link performance to budget decisions, require a government-wide performance report)?

Federal Information Security

The recently enacted Federal Information Security Management Act of 2002 (FISMA) provides an important comprehensive information security framework for federal agencies. The Committee will closely oversee implementation of FISMA, including development of new OMB guidance, the establishment of agency testing and evaluation plans, and the development and promulgation of information security standards.

Electronic Government

The Committee's E-Gov work in 2003 will focus on oversight of two laws. First, the Electronic Government Act of 2002 authorizes a number of initiatives to further the Federal government's use of information technology to improve government services and operations. We will oversee implementation of these initiatives both to review the commitment of agencies to E-Gov, as well as to see what statutory requirements appear to be truly useful in spurring progress. Second, the Government Paperwork Elimination Act (GPEA) of 1998 requires that by October 2003, Federal agencies must be able to provide, when practicable, for the option of electronic maintenance, submission, or disclosure of information, and for the use and acceptance

of electronic signatures. The Committee will examine the agencies' efforts. Also, the General Accounting Office is examining OMB and agency plans to support GPEA implementation.

Digital Tech Corps

Enacted as part of the "E-Gov Act of 2002," this new law creates training opportunities for Federal agency management of complex information technology projects - an area where too many Federal IT procurements continue to fail. These training opportunities come from the exchange of talented staff between the private sector and the Federal government. This program will enable cross-pollinization of best practices, invigorate the current IT workforce, and help establish the government as a desirable employer in the IT arena. The Committee will examine the implementation of this program to ensure that the goals of the legislation are met.

Homeland Security

The Homeland Security Act of 2002 included numerous provisions relevant to this Committee's jurisdiction that will require active oversight during the initial five to ten years of the Department's creation. Many of these provisions provide potential templates for future, governmentwide management reforms, and it will be important for this Committee to monitor and evaluate these provisions. The first issue in the Homeland Security Act that the Committee will monitor is the implementation of the human resources management system. The Committee will likely pursue additional governmentwide civil service reforms this Congress, and the new Department's experience could help to shape these reforms. The second Homeland Security Act issue of Committee interest relates to procurement provisions that are unique to the Department of Homeland Security. The procurement provisions provide the Secretary with flexibilities beyond those available to other agencies, and the Committee plans to monitor the effectiveness of these provisions. Third, the new Department will be attempting to integrate over 1,000 field offices within the United States as well as an enormous amount of property and assets. The Committee intends to work with the Department to create an inventory of its property and assets, and to facilitate the disposal of property that is determined to be surplus.

Homeland Security Coordination with State and Local Entities

The Committee will look into the coordination between the various Federal, State and local entities involved in protecting the homeland such as the National Guard and the Air National Guard, governors and State law enforcement groups, NORTHCOM, the Department of Defense's new military command in charge of homeland security, and the Department of Homeland Security. The Committee will also examine training and readiness challenges.

Continuity of Operations -- Homeland Security

Following the attacks of September 11, policymakers began to give some serious thought to making sure that essential Federal government operations could continue if Washington was again attacked. Such essential functions include communication with the Centers for Disease Control and FEMA, the disbursing of benefit checks at the Social Security Administration and even the revenue collection functions of the IRS. It might be worthwhile for the Committee to

work with essential government agencies to make sure they have contingency plans in place in case of a major disruption.

Census Issues

The Census Bureau is seeking to refine and improve on the successful methods and procedures that produced the highly accurate 2000 Census. The Bureau is seeking to improve the response rates and incorporate new technologies into the process where beneficial. The Committee intends to maintain a high level of oversight on this process with the goal of increasing Census accuracy and dependability of the data obtained.

Federal Retirement Thrift Investment Board

Since 1997, the Federal Retirement Thrift Investment Board, which oversees the Thrift Savings Plan, has tried unsuccessfully to launch a computer system to speed up transactions and provide participants with the ability to access their daily account values. The board fired the original contractor and sued for damages. As a result of this lawsuit, the TSP has been caught in a turf battle with the Justice Department over who should represent the TSP in court, and with the Labor Department, over how to properly write off $41 million paid to the original contractor. Under that law, Congress directed the Labor Department to regularly audit the TSP and assess its compliance with fiduciary and legal standards. More congressional oversight is needed to monitor the TSP's efforts to launch a new computer system.

District of Columbia Child and Family Services and the D.C. Family Court

The Committee has held a number of hearings in recent years on the operations of the District's Child and Family Services Agency (CFSA). The Agency spent years under court receivership, and eventually met the criteria for independence, but reports of child abuse continue to plague the Agency. GAO evaluated the pace of reform at CFSA, following reports of several incidents of sexual abuse at group homes for foster children. Ultimately, Congress passed legislation creating a Family Court for the District. The Committee will continue to monitor the efforts of the CFSA as well as the efforts of the D.C. Superior Court to establish the D.C. Family Court.

Enterprise Zones in the District of Columbia

Expanding the tax base, retaining and attracting businesses to the District and helping D.C. gain financial stability is a priority for the Committee. The Tax Relief Act of 1997 established a District of Columbia Enterprise Zone, allowing businesses located in designated area of the District to receive more than $1.2 billion in federal tax benefits. The Enterprise Zone will expire in 2003 and the Committee will assess the progress of the Enterprise Zone in preparation for its reauthorization. The Tax Relief Act also created a D.C. Homeowner Tax Credit, giving a $5,000 tax credit to eligible first-time homeowners in D.C. This tax credit expires in 2004, and the Committee will assess the effectiveness of this program in preparation for its reauthorization.

Additional Oversight Items Relating to the District of Columbia

In addition to the issues discussed in the preceding paragraphs, the Committee will also continue to actively oversee other initiatives that are important to the District and the Congress. For example, the District's Chief Financial Office, created in federal statute, expired when the D.C. Financial Control Board went dormant in 2001 and has relied on appropriations language for its statutory authority ever since. This Committee intends to try to come to agreement on language that would permanently create the office in statute. Also, the District's Medicaid program is one of the fastest growing costs in the District government. The Committee intends to increase its oversight of the District's Medicaid-supported programs, as well as the District's efforts to stabilize those costs. Finally, the District of Columbia Tuition Assistance Program is up for reauthorization in fiscal year 2005. This Committee will study the Program to determine its impact on increasing access to higher education to District youth.

Federal Land Use and Management Regulations

The Committee will continue to study the federal agencies responsible for regulations affecting federal land use and management, particularly as they affect land used for military training. The General Accounting Office is currently studying DOD and other federal landholders' regional management of the Endangered Species Act at the request of the Committee.

Radiocommunications Spectrum and National Policy

The radio frequencies used for broadcasting and wireless communication – collectively known as "radiocommunications spectrum" – constitute a finite resource that is vital for government and business activities alike. Through the Federal Communications Commission (FCC) and the National Telecommunications and Information Administration (NTIA), the Federal government coordinates, regulates and manages the use of spectrum in the United States. The Committee will oversee the programs, policies and intergovernmental management of these agencies, as well as reform initiatives aimed at improving overall spectrum management. The Committee will work to ensure that the FCC and the NTIA coordinate to balance the needs of national security, homeland security and business and consumer interests. In order to achieve this, the Committee will look at the separate regulations for government and private uses, seeking fair and balanced application of those regulations, promoting efficient usage, and working toward a comprehensive national spectrum agenda for the future. The Committee also will look at the role of the White House and the Department of State in promoting American interests in international spectrum coordination.

Embassy Security Oversight

The Committee will continue to conduct oversight into Executive Branch management and policies associated with the protection of our Embassies and their personnel. Attacks at U.S. embassies abroad during the 1990s prompted numerous reports on the safety of our embassies abroad, and in particular, the security of non-military personnel stationed overseas. In 2001, the State Department reorganized its Foreign Buildings Office into the Overseas Buildings Office,

giving it more autonomy and tasking it with enhancing security at new and existing buildings. GAO, however, still reports deficiencies in State's efforts. The Subcommittee on National Security, Veterans Affairs, and International Relations also has pursued the matter as part of a strategy of "rightsizing" the U.S. presence overseas, the process of putting the right people with the right skill in the right places in an effort to reduce the overall U.S. civilian presence overseas.

Cooperative Threat Reduction: Nonproliferation of Weapons and Material of Mass Destruction

The Committee will investigate the cost of CTR projects, the likelihood the projects will become operational on schedule, and the extent to which the United States is likely to realize the projects' national security objectives. The CTR Program was established in 1991 with the passage of the Soviet Nuclear Threat Reduction Act (the Nunn-Lugar Act) to respond to the threat of proliferation of the former Soviet Union arsenal of nuclear, chemical and biological weapons and materials. The Committee will focus on the proliferation and dangers resulting from the decline and decay in recent years of Russia's nuclear, chemical, and biological weapons enterprises.

OxyContin – Misuse, Abuse, and Diversion

Prescription drug abuse is a growing national problem. In recent years, there has been a dramatic increase in the misuse, abuse, and diversion of the Schedule II controlled substance, OxyContin. OxyContin, manufactured by Purdue Pharmaceuticals, is the only controlled-release form of the narcotic Oxycodone and is currently one of the most prescribed drugs in the United States. The Committee intends to explore the reasons for the increasing availability of OxyContin for illicit use in suburban communities and in metropolitan areas. The Committee will evaluate the roles manufacturers, doctors, pharmacies, law enforcement, and the federal government play regarding this issue and how their roles can be improved to address the problem of OxyContin. In addition, the Committee will also consider possible solutions to eliminate the potential for misuse, abuse, and diversion of OxyContin.

Sale of Prescription Drugs Over the Internet

An increasing variety of prescription medications have become available to the public through the Internet. The use of the Internet as a source for prescription drugs is not necessarily inappropriate, and several correctly licensed Internet pharmacy practice sites are legitimately dispensing prescription drugs pursuant to a valid prescription. However, Internet prescribing creates the danger of eliminating the safeguards that protect consumers from inappropriate use of medications. Another concern raised by Internet prescribing is the ability of consumers to obtain drugs without seeing a physician or a pharmacist. The Committee will examine the effectiveness of traditional regulations in the sale of prescription drugs over the Internet. The Committee will also consider new procedures, on a federal and state level, to eliminate the unlawful prescription of drugs.

Activities for the 108th Congress
Subcommittees

Subcommittee on National Security, Emerging Threats and International Relations

In the 108th Congress, the subcommittee will undertake oversight inquiries, reviews, General Accounting Office audits and/or hearings in the following issue areas:

Homeland Security

The economy and efficiency of the integration of agencies and programs into the new Department of Homeland Security (DHS); Public health capacity and first responder preparedness, including a review of pharmaceutical stockpile programs, the administration's BioShield initiative, the DOD Joint Vaccine Acquisition Program, the HHS smallpox vaccine acquisition and deployment system, and disease surveillance systems both nationally and globally; Inter-agency efforts to evaluate proposed technology solutions to homeland security challenges; The DOD role in homeland security and the operations of the new Northern Command; Security and evacuation procedures at civilian and DoE (weapons) nuclear facilities; The extent to which multiple U.S. security strategies are well coordinated and implemented; The biometric visa program and other visa reform efforts; The quality and quantity of homeland security intelligence and threat information shared with state and local responders; Security programs at strategic and commercial ports, including inland waterways.

Emerging Threats

Status of implementation and compliance with the Biological Weapons Convention; Status of implementation and compliance with the Chemical Weapons Convention; Status of implementation and compliance with the Nuclear Non-Proliferation Treaty; Assessment of potential national and subnational sponsors of terrorism; Multi-lateral and bi-lateral cooperative threat reduction efforts.

International Terrorism

Conflicting international definitions of terrorism; Counterterrorism programs in other nations; the status and benefits of multilateral cooperation against terrorism; the economy and efficiency of U.S. counterterrorism programs abroad; the impact of coalition action against Iraq on the incidence of terrorism at home and abroad.

Department of Defense Programs and Spending

The status force health protection programs both medical and non-medical; IT investment and Clinger-Cohen compliance; The adequacy of readiness measures and transformation benchmarks; The efficiency and success of financial management reform efforts; Technology readiness measures used in missile defense development; The economy and efficiency of certain aspect of tactical air (F-22, JSF) procurements; DOD communications

satellite procurements and programs; DOD security clearance adjudication facilities and procedures.

Department of Veterans Affairs Programs and Spending

Status of the VA Hepatitis-C initiative; VA health care access limits, co-pays; Status of research, diagnosis, treatment and compensation for Gulf War veterans; Economy and efficiency of VA utilization of real property.

Department of State and USAID Programs and Spending

Implementation of the rightsizing initiative; Agency cost-sharing for overseas facilities; Status of USAID reorganization; Economy and efficiency of financial management and IT reforms at DoS and USAID; Adequacy of security measures to protect American abroad; DoS counterterrorism coordination and training abroad.

International Trade Programs and Spending

Adequacy of processes and procedures used by the Committee on Foreign Investment in the United States (CFIUS); Effort to control technology transfers, including deemed exports; The impact of increased security and counterterrorism requirements on economic growth and free trade; Inspector General Act provisions as applied to multiple trade agencies.

Subcommittee on Human Rights and Wellness

The subcommittee plans to engage in a number of oversight activities in the 108th Congress, some of which were initiated by the full committee during the 107th Congress. A brief summary of the most significant oversight investigations currently planned by the subcommittee follows.

Investigation into Allegations of Justice Department Misconduct in Boston

The full Committee conducted a two-year investigation of the FBI's misuse of informants in New England over a period of nearly four decades. The following are significant points developed by the Committee's investigation:

In the mid-1960s, a cooperating witness developed by the Justice Department provided false testimony against four men in a death penalty case. Three of these men were sentenced to death and one was sentenced to life in prison. Joseph Salvati spent thirty years in prison for a crime he did not commit, two died in prison and the other man served 34 years. The Committee obtained documents indicating that federal law enforcement personnel had clear evidence that a miscarriage of justice had occurred, and that they did nothing to correct this injustice.

Joseph Salvati was falsely accused of involvement in the murder to protect Jimmy "The Bear" Flemmi, who was an FBI informant and notorious mob hitman. FBI Director Hoover was informed that Jimmy Flemmi had murdered seven individuals and would continue to commit murders. Nevertheless, the FBI decided to continue to use him as an informant, even though it was anticipated that he would continue his career as an assassin.

Jimmy Flemmi's brother, Stephen "The Rifleman" Flemmi, was also an FBI informant. He committed numerous homicides and was protected from prosecution by the Justice Department for decades.

Federal law enforcement officials obstructed homicide investigations in a number of states in order to protect informants Stephen Flemmi and James "Whitey" Bulger.

The FBI's drug crimes supervisor in Boston, John Connolly, was Whitey Bulger's handler. Bulger was one of the principal drug smugglers in New England. Connolly repeatedly warned Bulger of investigations that might have led to his arrest. When he finally was indicted, Bulger was given advance warning by Connolly and fled. As recently as the late 1990s the FBI appears to have failed to take adequate steps to capture Bulger, who was number two on its own '10 Most Wanted' list behind Usama bin Laden.

Federal corruption investigations of Massachusetts Senate President William Bulger were conducted by personnel who were being paid money by Whitey Bulger.

The federal government faces lawsuits in excess of two billion dollars for its misuse of mob informants in New England.

The pattern of misconduct in New England over a forty-year period can fairly be described as the greatest failure in the history of Federal law enforcement. The subcommittee intends to pursue this investigation further.

Investigation into Abductions to Saudi Arabia of American Children

During the 107th Congress, the full Committee conducted an investigation into the Saudi government's lack of cooperation in returning to the United States American citizens who had been illegally abducted to Saudi Arabia. During five hearings held in 2002, the Committee heard testimony from numerous U.S. parents that their Saudi ex-spouses had abducted their American children to Saudi Arabia in violation of custody agreements and court orders. In some cases, these illegal abductions occurred with the complicity of the Saudi embassy. While arrest warrants were issued in many of these cases, the Saudi government has never returned a kidnapped American citizen.

Then-Chairman Burton led a Congressional delegation to Saudi Arabia to urge the Saudi Royal family to resolve outstanding cases, a mission which proved fruitless. The Committee also examined the performance of the State Department in attempting to resolve these cases. The subcommittee will continue to pursue this matter in the 108th Congress.

Oversight of the Vaccine Injury Compensation Program

The full Committee held three hearings on the Vaccine Injury Compensation Program (VICP) during the 107th Congress. The VICP was designed to be a no-fault program to compensate victims of vaccine injuries quickly and compassionately, with less-adversarial procedures than those used in civil litigation. While more than 1,000 families have been compensated during the program's fifteen year history, some without lengthy delays, the Committee found too many instances in which the government had engaged in highly adversarial tactics never envisioned by Congress. By utilizing such tactics, the government delayed compensation to some deserving families for as long as a decade.

During the last Congress, Congressman Burton, Congressman Henry Waxman, Congressman Dave Weldon and others introduced legislation to reform the VICP. This legislation will be reintroduced this year.

The subcommittee will continue to oversee the VICP to ensure that it operates in the manner intended by Congress – fairly, compassionately, and in the best interests of victims of vaccine injuries and their families.

Oversight of Vaccine Safety

The subcommittee will continue activities begun at the full Committee four years ago to examine Federal vaccine policy. The goals of the subcommittee's oversight will be to ensure that vaccines are safe and effective; that the Federal government engages in a vigorous research program to continuously improve our ability to prevent vaccine injuries; and that Federal vaccine policies are not swayed by conflicts of interest.

Many of today's vaccines are safer than ever. The replacement of the oral polio vaccine and the cellular pertussis vaccine with more reliable alternatives has reduced the number of unintended injuries caused by those vaccines. The removal of thimerosal, a mercury-based preservative, from most childhood vaccines has also helped to restore the confidence of the American people in vaccines. However, several troublesome questions remain. These include: 1) why thimerosal is still used in the infant influenza vaccine and many adult vaccines, 2) why the FDA did not move more forcefully to remove thimerosal from vaccines in the 1990s, and 3) how questions about the safety of the MMR vaccine are being addressed. In addition, the Federal government has a responsibility to make a concerted effort to determine what the public health impact was of the decision to increase the number of thimerosal-containing vaccines on the recommended schedule in the 1990s. The subcommittee will continue to review these issues in the 108th Congress.

Oversight of the Implementation of the Dietary Supplement Health and Education Act of 1994

The Full Committee conducted four hearings during the 107th Congress related to the implementation of the Dietary Supplement Health and Education Act of 1994. In over six years, the FDA has failed to publish proposed regulations on good manufacturing practices for dietary supplements (GMPs) and has fostered an adversarial relationship with supplement manufacturers on many topics. Research is increasingly showing the benefit of nutritional supplements for improved health, and a majority of the American public regularly use dietary supplements. The subcommittee will continue to oversee the implementation of DSHEA and dietary supplement regulation.

Oversight of Complementary and Alternative Medicine and Wellness-Focused Activities of the Federal Government

The Full Committee has held numerous hearings on the role of complementary and alternative medicine (CAM) in our health care system over the last several years. Many CAM approaches stress the importance of diet, physical activity, and healthy choices. With the President's Healthier US Initiative, a broadened focus on the cost savings potential of healthy lifestyles and natural healing techniques will be included in the subcommittee's oversight activities.

Oversight of Conflicts of Interest of the FDA's Special Government Employees/Advisory Committee Members

The Department of Health and Human Services frequently employs advisory committees to give it expert advice on subjects such as new drug approvals and vaccine schedules. Historically, the Department has been very lax in policing committee members' conflicts of interest. In August 2002, the Committee on Government Reform published a majority staff report identifying a series of financial conflicts of interest that affected the approval of the Rotashield vaccine, which had to be withdrawn from the market in less than a year. The subcommittee will continue to conduct oversight in this area.

Oversight of FDA Regulation of Medical Devices

The Center for Devices and Radiological Health (CDRH) is responsible for regulating medical devices and radiation-emitting products. With an aging population, orthopedic implants are an increasingly familiar option in the treatment of osteoarthritis, and the deterioration of hips, knees, and other joints. The subcommittee will initiate a review of long-term safety concerns in this area and the FDA's approval process for medical devices.

Human Rights

The subcommittee will initiate a review of human rights around the world, and will conduct oversight of the State Department's efforts to promote human rights.

Subcommittee on Criminal Justice, Drug Policy and Human Resources

The subcommittee expects to conduct authorization and oversight activity on the following matters during this Congress:

Drug Policy

ONDCP Reauthorization: The subcommittee will be required to develop legislation to reauthorize the Office of National Drug Control Policy and its programs during the 108th Congress. The current authorization of the office ($523 million in FY '03) expires at the end of the fiscal year. In addition to the office itself, many of its subsidiary programs will require authorization, most notably the HIDTA program and the National Youth Anti-Drug Media Campaign.

State Drug Legalization Initiatives: Despite past successes and the intense efforts of the drug legalization movement in several states, ballot initiatives to legalize or decriminalize certain drug uses under state laws were easily defeated nationwide last November. What is the best and most appropriate approach to continue strong opposition at the federal level to drug legalization and decriminalization?

International and Interdiction Issues: Airbridge Denial Program – The United States assists foreign governments under the Airbridge Denial program to intercept suspected drug trafficking aircraft. The program was suspended after the Peruvian government shootdown of an innocent missionary plane and resulting loss of life. What practical and residual obstacles does the Administration believe still must be met before the resumption of this program, which plays an important role in our overall drug interdiction efforts? Enhanced Focus on Drugs/Terrorism – The subcommittee's previous oversight activities have made us aware of numerous pending drug cases with significant and very specific links to international terrorism. How do we best heighten public awareness of these cases and the demonstrable links between the drug trade and terrorism? Department of Homeland Security/Subordinate Budgets – The Office of Management and Budget has directed the Customs Service and other agencies to make certain remaining FY '02 funds available to the Department of Homeland Security for startup costs and administrative activities. From the Customs Service, $30 million was taken directly from Air/Marine interdiction, which has forced a cut in flight hours and aircraft procurement. What action can be taken to ensure that DHS startup does not hinder interdiction activities? Status of Colombia Programs and the Andean Counterdrug Initiative – President Uribe has significantly increased his support for US eradication programs in Colombia, which has led to a fairly significant increase in activity and effectiveness. In addition, the Plan Colombia equipment provided for by Congress in earlier years is starting to arrive in significant amounts. Has it begun to make a tangible difference, is the program effective, and what changes are necessary to ensure the continuance of robust source country programs? The subcommittee's oversight activities in the area of international and interdiction issues will also include a careful examination of U.S. support for Mexico's recent shift toward military enforcement of domestic anti-drug laws in the wake of President Fox's dissolution of the civilian Mexican counterpart to the U.S. Drug Enforcement Administration.

Prevention and Treatment: Treatment Initiatives – The President recently announced his "Recovery Now" initiative to increase the availability and effectiveness of drug treatment. How will the program be implemented and what is likely to be the immediate impact for Americans seeking treatment? Status of Federal Prevention Programs – The Federal government continues to have a largely uncoordinated and frequently unfocused group of drug prevention programs. How can we better coordinate them and make them more effective? Drug Testing: A recent Oregon study found that students who were regularly drug tested in schools are much less likely to use illegal narcotics, and enhanced awareness of testing has been a significant initiative of ONDCP Director Walters. How can we work to make the public aware of the importance of testing and what federal programs can be supported to facilitate testing and accountability among youth?

Law Enforcement: Needle Exchange Enforcement: Federal and state court opinions issued late last year in New York City and Massachusetts essentially held that participants in needle exchange programs could not be arrested for drug use. Will the Justice Department be aggressively appealing the federal decision, and how can we work to continue effective law enforcement in these areas? Witness Protection: Last year, the Dawson family in Baltimore (Ranking Member Cummings' district) was firebombed and murdered by drug dealers in response to Mrs. Dawson's efforts to shed light on their activities in her community. What programs can be developed or supported to provide protection for witnesses or anti-drug activists in neighborhoods with heavy drug use?

Justice

Effect of Homeland Security on Federal Law Enforcement: During the last Congress, the subcommittee conducted a number of hearings on the impact which the creation of a Department of Homeland Security might have on other federal law enforcement agencies – primarily examining whether the intense focus on that single goal would adversely affect the resources, focus, or personnel available to more traditional law enforcement missions which did not disappear after 9/11. As the Department begins to operate, these issues will require ongoing attention to ensure the continued effectiveness of the overall system.

Border: During the last Congress, the subcommittee also carried out an exhaustive review of U.S. border agencies and policies, as well as the multitude of diverse and distinct issues represented at individual crossings, both north and south. These activities and field hearings were summarized in a lengthy interim Committee report. This review needs to be completed; field hearings may be conducted in New Mexico, Texas, Michigan, New York, and other states, and a final report prepared and issued. In addition, the subcommittee expects to continue careful oversight of the Container Security Initiative and the modernization of border programs.

Immigration: Both the creation of the Department of Homeland Security and the unprecedented demands placed on the United States after 9/11 have raised several significant immigration issues that require continued oversight. In addition to ensuring that the U.S. immigration system remains open and accessible to those who legitimately seek entry, oversight is also necessary to ensure that effective means are in place to ensure the security of our country

from those who seek to enter to do harm, and that security measures protect appropriate civil and individual rights. The balance is delicate, difficult, and complicated and is likely to require continued scrutiny.

Justice Policy: Similarly, the Department of Justice has taken aggressive stances to protect national security that have in some respects made significant changes to long-held practices in such areas as bypassing the federal court system for certain defendants, detentions without charge or trial, significant change in focus of the FBI, and enhanced sharing of foreign and wiretap intelligence with law enforcement agencies. Again, the rapidly evolving new policy represents a delicate balance that requires careful oversight.

Human Resources/Social Policy

Health and Social Policy Oversight: The subcommittee has conducted an aggressive program of oversight of the Department of Health and Human Services as it impacts health and social policy, focused most prominently on bioethics (including human cloning and stem cell research), human life issues, racial health disparities, reproductive health, HIV policy, health issues impacting illegal drug policy, and department handling of the West Nile virus. Two hearings on these topics received extensive national attention. These oversight activities are planned to continue at the same intensity in the 108th Congress.

Faith-Based Initiatives: The subcommittee has oversight jurisdiction for the White House Office of Faith and Community Based Initiatives, and has worked regularly with Administration officials on development of executive branch policies to promote faith-based charities, on the status of pilot programs, and on pending legislative proposals on the issue and outreach to the faith-based social provider community. These activities are expected to intensify in the 108th Congress as President Bush renews his push for legislation addressing faith-based issues incident to welfare reform legislation.

Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs

During the 107th Congress, the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs held 22 hearings on a range of issues. They included a variety of subjects in each of the three principal areas within the subcommittee's jurisdiction. For example, in Energy Policy, the subcommittee addressed the California energy crisis and governance by the Federal Energy Regulatory Commission (FERC) and the California Independent System Operator (CAISO). In Natural Resources, the subcommittee addressed several subjects, such as environmental streamlining, the gasoline supply, and Federal implementation of the Supreme Court's SWANCC decision relating to wetlands. Lastly, in Regulatory Affairs, the subcommittee reviewed implementation of the Congressional Review Act, Paperwork Reduction Act (PRA), Unfunded Mandates Reform Act, and the required annual regulatory accounting report, as well as regulations under development, such as to implement the new air security law.

In addition, the subcommittee considered various legislative proposals, including possible elevation of the Environmental Protection Agency (EPA) to a cabinet-level department and improvements to increase accountability and transparency in the Presidential gifts system. Last year, the subcommittee's multi-year initiative to provide paperwork relief to small businesses became law in the Small Business Paperwork Relief Act of 2002 (P.L. 107-198).

During the 107th Congress, the subcommittee conducted an extensive investigation of the current multi-agency system for managing Presidential gifts. The result was House Report 107-768, "Problems with the Presidential Gifts System."

During the 108th Congress, the subcommittee plans to continue to hold hearings in all three principal areas within its jurisdiction: Energy Policy, Natural Resources, and Regulatory Affairs. In addition, the subcommittee plans to continue its oversight of the Administration's efforts to achieve meaningful paperwork reduction and useful regulatory accounting and its implementation of the new Small Business Paperwork Relief Act. Lastly, the subcommittee plans to consider legislation to make additional improvements in the existing laws governing paperwork reduction and regulatory management.

Agency Compliance with the Paperwork Reduction Act (PRA): The subcommittee will continue oversight of the role of the Office of Management and Budget's Office of Information and Regulatory Affairs (OIRA) in enforcing the PRA and agency compliance with the PRA. Since the Internal Revenue Service (IRS) accounts for over 80 percent of the government-wide paperwork burden, the subcommittee will continue to work with the Treasury-Postal Appropriations Committee to increase OIRA efforts devoted to reducing IRS paperwork.

Oversight of OMB/OIRA's Regulatory Accounting Reports: The subcommittee will continue to examine OIRA's record in evaluating and reporting on the costs and benefits of Federal regulatory programs. Since the regulatory accounting law requires OMB to include aggregate estimates by agency and by agency program, the subcommittee will continue its efforts for OIRA to systematically seek agency input.

Oversight of Individual Regulations: The subcommittee will continue oversight of individual regulations, such as the proposed SWANCC wetlands rule, and interim final rules to implement new legislation, such as port security.

Oversight of Energy Policy and Natural Resources: The subcommittee will continue its oversight in certain areas, such as governance by FERC and CAISO and gasoline markets, and will initiate oversight in some areas, such as water quality trading and access to wilderness areas for recreation purposes.

Subcommittee on the Civil Service and Agency Organization

The subcommittee will oversee various programs and issues within the jurisdiction of the Office of Personnel Management (OPM) and title 5 of the United States Code. These may include, but are not limited to: the Federal Employee Health Benefits Program, including the advantages or disadvantages of including a medical savings component within the selection of plans available to federal employees and retirees, and premium contributions by federal retirees being deducted with pre-tax dollars, in line with contributions by federal employees; pre-funding retirement benefits such as required of the United States Postal Service; telecommuting by federal employees; Digital Tech Corps Act of 2002 implementation; OPM's implementation of the Long-Term Care Insurance Program; human capital management, including pay for performance and pay banding methodologies; pay comparability between the public and private sector and how that affects recruitment and retention of well qualified public employees; the federal job application process; mentoring by volunteer senior employees of new and junior employees as a management tool, a technique used by many successful private sector enterprises; OPM processing of security clearances for other agencies, including the transfer of 1,800 security clearance employees to OPM from the Department of Defense; outsourcing and privatization of certain federal jobs; the Whistle-Blower Protection Act, equal employment opportunity statutes, and the federal employees' appeals process; agency organization initiatives; senior executive compensation; recommendations of the National Commission on the Public Service; veterans' preference.

Subcommittee on Government Efficiency and Financial Management

The subcommittee will examine financial and performance management practices at departments and agencies within the executive branch of the federal government with the goal of determining whether they comply with existing federal financial laws. In addition, the subcommittee will focus on agencies' efforts to eliminate waste, fraud and mismanagement in taxpayer-funded federal programs.

As part of the subcommittee's efforts to improve government performance and accountability, the subcommittee intends to monitor the implementation of the President's Management Agenda, in particular the President's scorecard on government-wide, management-related initiatives such as human capital management, competitive sourcing, financial performance, electronic government, and budget and performance integration. In addition, the subcommittee intends to hold hearings on the President's "Program Assessment Rating Tool," focusing in particular on progress made by the Administration to integrate performance information into budget decisions.

The subcommittee plans to oversee the implementation of Public Law 107-289, the "Accountability of Tax Dollars Act of 2002," which was signed into law last November. The Chief Financial Officers Act of 1990 requires the 24 largest federal agencies to annually release audited financial statements. The Bush Administration is pushing the 24 CFO Act agencies further by requiring them to submit their audited financial statements 45 days after the end of the fiscal year, beginning with FY03. The Accountability of Tax Dollars Act extends the requirement to submit audited financial statements to all federal agencies, regardless of size (the law does give OMB the authority to exempt small federal agencies if the risks associated with the agency's operations is negligible. Financial accountability is something that should be expected of all federal agencies rather than just the largest federal agencies. The subcommittee intends to promote this worthy goal.

The subcommittee intends to work with the Administration on the implementation of the Public Law 107-300, the "Improper Payments Reduction Act of 2002." The law requires the 24 CFO Act agencies to conduct a risk analysis of their financial practices to determine whether they administer any programs that are unduly susceptible to waste, fraud or mismanagement. When programs are determined to be susceptible, the law requires the agency to submit an estimate of the extent of the improper payment. GAO estimated improper payments reported by federal agencies to be approximately $20 billion in FY2001, but explained that the actual amount was likely billions of dollars higher. This legislation will give the public a much better sense of the extent of funds that are being improperly administered by federal agencies.

In addition, with the 10-year anniversary of the Government Performance and Results Act coming up in August, the subcommittee intends to evaluate the progress that GPRA has made over the past decade in improving government performance, and where the government should be headed in the future. Being able to measure progress made from the investment of taxpayer funds is important to this subcommittee. Working with the Administration to tie funding to performance will be an important element of this subcommittee's agenda.

The subcommittee will oversee the government's implementation of the Cash Management Improvement Act; the Chief Financial Officers Act; the Computer Matching and Privacy Protection Act; the Debt Collection Improvement Act; the Government Performance and Results Act; the Inspector General Act; and other significant legislative initiatives that fall within the subcommittee's jurisdiction.

Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census

The subcommittee intends to be active in the exercise of oversight in a variety of subject areas that fall within the purview of its jurisdiction. The results of this oversight activity may produce legislative initiatives that address opportunities to improve communication, coordination, cooperation and efficiency within the Federal government, and between Federal, State and Local governments.

Legislative Implementation Oversight

The following are examples of specific pieces of legislation whose implementation will be reviewed: Census Act; Electronic Government Act; Federal Advisory Committee Act; Federal Information Security Management Act; Freedom of Information Act; Government Paperwork Elimination Act; Intergovernmental Cooperation Act; Single Audit Act; Unfunded Mandates Reform Act; Presidential Records Act; Privacy Act.

E-Government

The subcommittee will examine the progress of the implementation of E-Government initiatives identified by the subcommittee in the 107th Congress. Within that context, the subcommittee will consider the development of an evaluation/grading system for various Federal agencies in terms of their compliance with e-Government and other IT provisions. This would include an examination and review of user-friendliness and customer service aspects of the Federal government's public web presence and accessibility to the citizenry.

IT Management

The subcommittee will continue to review Federal government IT management to examine compatibility with State and Local government IT systems; to improve Federal cross-agency communication and coordination in an effort to foster and facilitate innovation; and to ensure leadership and coordination in IT research and development.

Technology Security

The subcommittee will examine the progress of efforts to address technology security to ensure the safety of Federal employees and their workplaces. Further, the sharing and transmittal of critical information between various Federal agencies, along with State and Local governments, is imperative to the identification and response to threats or acts of terrorism against this nation. Accordingly, the subcommittee will examine the progress to improve information technologies and procedures that will achieve greater protections for the American people. As part of this investigation, the subcommittee will examine the issue of data mining, and may review the progress and appropriateness of the Department of Defense's Total Information Awareness Project. The subcommittee will also be interested in new technologies being developed by the Defense Advanced Research Projects Agency (DARPA).

In addition, the subcommittee will review threats to telecommunications networks in an effort to determine whether more needs to be done to protect high-priority vulnerabilities.

Internet

New technologies have resulted in the explosive growth of the Internet. The increasing reliance on the Internet by millions of Americans makes it a critical part of our national infrastructure. The subcommittee will review developing trends of the Internet and will explore several problem areas, including security breaches and issues associated with the fraudulent use of domain names.

Technological Impact on Research and Development

The federal government spends billions of dollars each year on research and development. The subcommittee is concerned by the historical decline of the federal share of overall research and development (R&D). The subcommittee will seek a national R&D strategy with methods for evaluation, and will examine the impact of technology on research programs, looking particularly at ongoing efforts at the National Institutes of Health and the Human Genome Project.

Intergovernmental Relations

The continued examination of the Federal government's relationship with other governmental entities will be a main objective of the subcommittee. Specifically, the subcommittee wishes to identify initiatives that will produce more efficient and effective delivery of services and application of Federal funds. In the same context, the subcommittee will continue to examine the role and responsibility of the Federal government to communicate, coordinate, and cooperate with State and Local governments on the response to any acts of terrorism.

Federal/State Coordination of Homeland Security

The subcommittee will hold field hearings to explore the success or failure of coordinative efforts between the Federal and state governments in the area of homeland security.

Disaster Management

The subcommittee will examine the collaboration of state, local and federal agencies in dealing with natural disasters, such as tornadoes, hurricanes and floods.

First Responders

The subcommittee will investigate the manner in which governmental agencies coordinate and communicate with first responders. In addition, the subcommittee will review the procedures by which agencies such as the Centers for Disease Control coordinate in emergency situations.

Border Controls

The subcommittee will examine the cooperation of governmental departments and agencies in protecting America's borders. As part of this investigation, the subcommittee will review the coordination of intergovernmental efforts to ensure the safety of its airports and seaports.

Information Policy

The subcommittee will also utilize its oversight authority to continue to seek the appropriate balance between the needs of the Federal government to collect and distribute necessary information, with the privacy expectations and rights of the citizenry. Concurrently, it is important to continue to seek an appropriate balance between the need for government to protect and secure certain information while insuring public access to the activities and operations of government.

Of particular interest will be the privacy of medical records and the sharing of financial information, particularly among business organizations sharing a common corporate parent.

Census

The subcommittee will continue the effort to facilitate replacement of the Long Form from the 2010 Census process, and replace it with the American Community Survey (ACS), which provides for an annual sampling of 3 million households. This effort will include review and monitoring of a current study being conducted by the Census Bureau with oversight being provided by GAO. The result will likely be a legislative initiative to authorize implementation of the American Community Survey.

Further, the subcommittee will continue to provide oversight for the Economic Census being conducted in 2003.

Frequency Spectrum Encroachment

Uncertainty in the world in several strategic areas makes it imperative that America is positioned to aggressively protect its communications systems. The use of spectrum by defense agencies can greatly impact the availability of spectrum for commercial uses, and the subcommittee will explore the implications of restricting frequency spectrum.

Space Technology

America's commitment to the exploration of the heavens is undiminished. The subcommittee intends to review the status of the space program and explore technological advances concerning both manned and unmanned flights.

Export Control

The subcommittee is committed to the security of technological innovations and advances, and will review intergovernmental efforts to control the export of these technologies overseas.

Environmental Technologies

Technological advances will encourage new ways in which to preserve and protect the environment. The subcommittee is interested in examining the manner in which technology is assisting environmental restoration efforts in such places as the Everglades.

Alternative Energy Research

With natural resources being depleted at an ever-increasing rate, America must continue to explore new ways to provide energy. The subcommittee will investigate efforts to develop new sources of energy, along with problems associated with these technologies. Of particular focus will be the problems associated with the storage of nuclear waste.

Patent/Trademark

The subcommittee will investigate the manner in which new technologies impacts patent and trademark issues in the 21st century.

Land Management

The subcommittee will evaluate state, local and federal land acquisition plans, their impact on local services and tax bases, while identifying successful land management strategies.

Demography

The subcommittee will examine population shifts in areas of emerging regional threats, such as the view of America and American values by other nations.

Preservation of Archival Material

The subcommittee will monitor efforts to preserve historical data and records through new technologies, such as digitization.

ROBERT W. NEY, OHIO,
CHAIRMAN

VERNON J. EHLERS, MICHIGAN
JOHN L. MICA, FLORIDA
JOHN LINDER, GEORGIA
JOHN T. DOOLITTLE, CALIFORNIA
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JIM DAVIS, FLORIDA

PAUL VINOVICH,
STAFF DIRECTOR
WILLIAM H. CABLE,
MINORITY STAFF DIRECTOR

Congress of the United States
House of Representatives
COMMITTEE ON HOUSE ADMINISTRATION
1309 LONGWORTH HOUSE OFFICE BUILDING
(202) 225-8281
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February 10, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, DC 20515-6143

Dear Mr. Chairman,

Pursuant to clause 2 (d) (1) of rule X of the rules of the House, each standing Committee is required to adopt its oversight plan for the 108th Congress no later than February 15, and submit it to the Committees on Government Reform and House Administration. In accordance with this rule, we are submitting to you the oversight plan of the Committee on House Administration for the 108th Congress as approved by the Committee at our business meeting February 5, 2003.

Sincerely,

Bob Ney
Chairman

Enclosure

Committee on House Administration

108th Congress Oversight Plan

Member Services

- Oversee Member allowance amounts, structure, and regulations; provide guidance to offices to ensure compliance with House regulations.
- Review *Members' Congressional Handbook* regulations governing expenditure of Members' Representational Allowances and the *User's Guide to Equipment Software and Related Services*.
- Review the formulas that establish the Members' Representational Allowance.
- Oversee the processing of vouchers and payroll.

Committee Funding and Oversight

- Review Monthly Reports on committee activities and expenditures.
- Review *Committees' Congressional Handbook* regulations governing expenditure of committee funds.
- Review Primary and Secondary Expense Resolutions and approve committee-funding levels.

Congressional Accountability Act of 1995

- Monitor application of the Congressional Accountability Act of 1995 (PL 104-1), (CAA).
- Review regulations adopted by the Office of Compliance.
- Evaluate resources available to the Office of Compliance and House Employing Offices to facilitate implementation of the Act.
- Conduct General Oversight of the Office of Compliance.
- Examine the statutory construction of the Office of General Counsel.
- Monitor ongoing judicial proceedings to determine the impact on the CAA.

Franking Commission

- Review proposals to reform mass mailing practices of Members, and regulations governing such mailings, and monitor current prohibition on mass mailings 90 days before a primary or general election.
- Review previously implemented rules to increase disclosure and improve the accounting of franked mail costs.
- Consider revisions of pre-election franking complaint procedures.
- Review regulation of Unsolicited Mass Communications.

Government Printing Office

- Consider legislation to reform government printing by eliminating redundancies, increasing efficiency, and enhancing public access to government publications.

- Gather information on the restructuring of government printing and the dissemination of government information to the public, especially in electronic form.
- Track the implementation of remedial actions taken to address audit issues.
- Oversee operations of the Government Printing Office.
- Review the printing needs of the House and the related use of the printing and binding fund.
- Monitor and evaluate results of the comprehensive review (to be conducted by the General Accounting Office during 2003) of the current state of government printing and information-dissemination programs, inventory of federal printing capabilities, practices, and needs.
- Examine options to improve operation and structure of the GPO Inspector General's office.
- Oversee Superintendent of Documents' Sales and Depository Library Programs.

House Officers and House Operations

- Analyze management improvement proposals and other initiatives submitted by the House Officers, the Inspector General and the Architect of the Capitol.
- Coordinate with the Subcommittee on Legislative Appropriations on matters impacting operations of the House and joint entities.
- Provide policy guidance to the House Officers, Inspector General and the Joint entities as appropriate.
- Oversee compliance with the House Employee Classification Act, 2 U.S.C. 291, *et seq.*
- Assure coordination among officers and joint entities on administrative matters.
- Continue review of "congressional continuity" issues, including organizing sessions of Congress at alternate locations and technological support for Member communications and chamber operations.
- Provide policy guidance and conduct oversight of security and safety issues and congressional entities charged with such roles.

Chief Administrative Officer

- Review procedures for processing contracts with the House that exceed the threshold of $250,000.
- Continue to review the financial management system.
- Review the structure of House Information Resources and determine organizational direction.
- Review new technology initiatives to better serve Members, Committees, and the House.
- Continue review of functions and administrative operations assigned to the Chief Administrative Officer.
- Review semi-annual financial and operational status reports; recommend changes in operations to improve services and increase efficiencies.
- Review the operations of the House gift shop and future methods of proposed management.

- Continue review of restaurant operations, house furniture policy, inventory and selection, and alternatives to the current house mail delivery process in order to strengthen the services and tools available to Members and staff.

Clerk of the House

- Review the administration of the audio transmission on the House floor.
- Review and approve contracts and requests for proposals for the Clerk that exceed the $250,000 spending threshold.
- Oversee the document management system.
- Review progress towards defining a standard for the electronic exchange of legislative information among Congress and legislative branch agencies.
- Continue review of functions and administrative operations assigned to the Clerk.
- Review of semi-annual financial and operational status reports; recommend changes in operations to improve services and increase efficiencies.

Sergeant at Arms

- Review security operations in the House, including the House chamber, the galleries, the Capitol, House Office Buildings, and Capitol Grounds.
- Review semi-annual financial and operational status reports; recommend changes in operations to improve services and increase efficiencies.
- Review impact of electronic access to controlled spaces.
- Continue review of functions and administrative operations assigned to the Sergeant at Arms.
- Review the security operation of the House's parking facilities, its regulations and allocation of parking spaces.
- Review the policies and procedures for visitor access to the Capitol.

U.S. Capitol Police

- Generally oversee operations of the agency.
- Consider authorization legislation as necessary.
- Review need for additional USCP facilities and equipment.
- Monitor and evaluate results of GAO/Police analysis of post/duty assignments to determine ideal staffing levels to meet security needs, especially with the advent of the Capitol Visitors' Center and responsibility for U.S. Botanic Garden.
- Monitor attrition rates and recruitment efforts in light of recent and proposed recruitment and retention incentives.
- Review USCP training program for new recruits, and in-service training.
- Review and approve all department reorganizations, creation of new positions, appointments, terminations, and certain promotions.

Inspector General

- Review proposed audit plan and audit reports.

- Review comprehensive financial and operational audits of the House: investigate any irregularities uncovered; and monitor the required improvements.
- Monitor progress of House audits.
- Continue review of functions and administrative operations assigned to the Inspector General.
- Direct Inspector General to conduct management advisories to improve implementation and operation of key House functions.

Oversight of Legislative Branch Entities

Information and Technology Coordination

- Oversee, in conjunction with the Senate, forums for the sharing of technology plans and capabilities among the legislative branch agencies.
- Oversee, in conjunction with the Senate, the Legislative Branch Telecommunications group.
- Oversee continuing improvements to the Legislative Information System.
- Oversee work of the Legislative Branch Financial Managers' Council.

Library of Congress

- Oversee the remedial measures taken by the Library in response to audit issues.
- Conduct a review of the progress that the Library has made in providing public access to government information, especially in electronic form.
- Continue oversight of Library and Congressional Research Service operations.
- Oversee construction of the Culpeper Film Preservation Facility.
- Examine options to improve the operation and structure of the Library Inspector General.
- Review implementation of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106-481), the Veterans' Oral History Project Act (Public Law 106-380), the National Recording Preservation Act of 2000 (Public Law No: 106-474), and the History of the House Awareness and Preservation Act (Public Law 106-99).

Smithsonian Institution

- Review the Smithsonian Inspector General's reports on the status of the Smithsonian.
- Continuing oversight of Smithsonian operations.
- Review and oversee Smithsonian Institution budget authorization.
- Consider legislation related to the Smithsonian Institution.
- Provide for the appointment of Citizen Regents to the Smithsonian Institution's Board of Regents.
- Review proposals for authorization of new Smithsonian facilities.
- Review operations of the National Zoo.

Architect of the Capitol

- Review the operations of the office of the Architect.

- Review the electronic and procured services provided by the Architect.
- Oversee construction of the Capitol Visitor's Center project, in conjunction with the Senate and the Capitol Preservation Commission.

Technology Use by the House

- Continue oversight of House Information Resources and other technology functions of the House to ensure timely, accurate electronic information dissemination.
- Oversee implementation of House Rule XI 2(e)(4) requiring committee documentation to be made available electronically, to the maximum extent feasible.
- Review computer security measures.
- Oversee implementation of Committee hearing room upgrade program.

Federal Election Law

- Review operations of the Federal Election Commission (FEC) and evaluate possible changes to improve efficiency, improve enforcement of the Federal Election Campaign Act, improve procedures for the disclosure of contributions and expenditures, and consider authorization issues and make recommendations on the FEC's budget.
- Review state and federal activities in connection with the National Voter Registration Act. Examine reforms that could improve voter registration procedures, particularly with regard to strengthening protections against fraud.
- Examine evidence of fraud in the conduct of federal elections and evaluate measures to improve the integrity of the electoral process.
- Examine evidence of possible corruption and evasion of election laws in campaign fundraising.
- Review federal election financing laws and consider legislative changes as necessary.
- Examine the administration of federal elections, and propose improvements to relevant laws that will strengthen the federal election process and improve election administration and the integrity of federal elections.
- Study FEC implementation of the Bipartisan Campaign Reform Act of 2002 (BCRA) regulations and impact of any federal court decisions concerning the new law.
- Examine the implementation of the Help America Vote Act (HAV), including the creation of new Election Assistance Commission, implementation of minimum standards by the states, and compliance with HAV.
- Examine the impact of HAV on Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA).
- Review states' responses to passage of H. Res. 559 (107th Congress) urging states to expedite procedures for calling special elections in the event of a catastrophe.

One Hundred Eighth Congress

Congress of the United States
Committee on International Relations
House of Representatives
Washington, DC 20515

(202) 225–5021
http://www.house.gov/international_relations/

February 14, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

The Committee on International Relations has adopted its Oversight Plan for the 108th Congress, and pursuant to the provisions of Rule X of the House Rules, I am herewith submitting that plan to your Committee.

Sincerely,

HENRY J. HYDE
Chairman

HJH:df/ld
Enclosure

Adopted by the Committee,
February 11, 2003

COMMITTEE ON INTERNATIONAL RELATIONS

OVERSIGHT PLAN

Rule X, clause 2 (d) of the Rules of the House of Representatives requires that each standing Committee adopt an oversight plan for the two-year period of the Congress and submit the plan to the Committees on Government Reform and House Administration not later than February 15 of the first session of the Congress. Rule XI, clause 1 (d) requires that the Committee report, at the end of each Congress, on the recommendations made with respect to its oversight plan and any recommendations made or actions taken thereon.

This is the oversight plan of the Committee on International Relations for the 108th Congress. It includes the areas in which the Committee hopes to conduct oversight during this Congress. As the Committee's priorities change, the oversight work of the Committee may change. The fact that an issue is listed here does not mean that the Committee will necessarily hold a formal meeting devoted solely to that issue. The Committee, in the course of its oversight work, may also rely on briefings by business and non-governmental organizations and by U.S. government officials, officials of foreign governments, as well as on member and staff travel, and investigations. It is the intention of the Committee that, wherever practicable, oversight activities will be planned on a bipartisan basis. The Committee will consult with other Committees having jurisdiction over the same or related laws, programs, or agencies as are within its jurisdiction, including its special oversight jurisdiction; and it will use such mechanisms as joint briefings and coordination of staff work and travel to meet the requirements of Rule X(2)(d)(1)(A). As required by Rule X(2)(d)(1)(C), in the course of its oversight work, it will remain continually alert for the existence of Federal rules, regulations, statutes, and court decisions that are ambiguous, arbitrary, or nonsensical, or that impose severe financial burdens on individuals.

1. General

a. Meetings with foreign political leaders. The Committee's ongoing program of informal and formal meetings with foreign political leaders gives it the opportunity to explore the effectiveness of United States foreign policy

b. Meetings with Administration officials. The Committee's formal and informal meetings with Administration officials allow Members and staff to explore the effectiveness of the Administration's implementation of foreign policy

2. International Security/UN/Peacekeeping/General

a. Oversight of arms transfer procedures and legislation, including implementation of previous laws and modifications made to the Arms Export Control Act regarding arms transfers. Review policy regarding unmanned aerial vehicles. Review the Taiwan Relations Act to ensure effective implementation. Review efforts to negotiate multilateral "Code of Conduct" regarding conventional arms transfers. Review newly-enacted law establishing a government-to-government arms sales end-use monitoring program

b. Export Controls – Review National Security Policy Directive 19 regarding defense trade reform. Oversight related to a reauthorization of the Export Administration Act. Review of the Administration's efforts to promote the Defense Trade and Security Initiative (DTSI) and other efforts to promote defense cooperation and integration among friendly countries. Review of policies regarding exports of supercomputers. Review of munitions control list including exports of commercial communication satellites

c. Peacekeeping oversight, including Administration policy implementing existing Presidential Decision Directives on peacekeeping; supporting new peacekeeping operations and terminating existing missions; UN Peacekeeping Reform; command and control issues; and special attention to the status of the international peacekeeping effort in Kosovo, Bosnia, Africa (particularly Sierra Leone, Democratic Republic of the Congo, Eritrea-Ethiopia), Afghanistan, East Timor, and the Middle East

d. "Rogue Regimes" -- Review of the problems of security threats from so-called "rogue regimes" that have or could gain the power to create or use weapons of mass destruction, including but not limited to Iraq, Iran, and North Korea

e. Nunn-Lugar program -- Review implementation of program aimed at dismantlement and destruction of nuclear, chemical, and biological weapons in the former Soviet Union, including waiver issues and expanding geographic scope of the program

f. Review of National/International Missile Defense and its relationship to U.S. relations with allies, Russia, China and others; its impact on long-term U.S. security and nonproliferation goals; and other related issues

g. National Missile Defense -- review of foreign policy aspects including implications of modifying radars in the United Kingdom and Denmark

h. Compliance with existing arms control agreements including the Conventional Forces in Europe (CFE) Treaty and START treaties and review of agreements to which the U.S. is not party, including the Comprehensive Test Ban (CTBT) Treaty and the Land Mine Ban Treaty

i. Review of nonproliferation sanctions regimes including feasibility of establishing new international missile control regimes and enhancing the Wassenaar Arrangement

j. Other nonproliferation and disarmament topics:

i. North Korea's development of weapons of mass destruction and their means of delivery. Effectiveness of International Atomic Energy Agency (IAEA), particularly with respect to its role in the Democratic People's Republic of Korea

ii. Status of Fissile Material Production Ban

iii. Review of bilateral nonproliferation and arms control agreements with Russia and specific oversight of efforts by the U.S. and Russia to curtail exports of sensitive military technologies to Iran and other states; assessment of Iran's nuclear capabilities and a review of the need for legislation to address these problems; implementation of Iran Nonproliferation Act

iv. Review of programs regarding the disposition and elimination of excess weapons-grade plutonium stores worldwide

v. The status of the land mine treaty ban and U.S. efforts to develop alternative land mine technologies

vi. Implementation of the U.S.-China Nuclear Cooperation Agreement

vii. Implementation of U.S. sanctions laws regarding weapons of mass destruction and missiles

viii. Review of South Asia and sanctions issues

k. Security Assistance -- Review overall effectiveness and implementation of security assistance programs including Foreign Military Financing (FMF), Economic Support Fund (ESF), International Military Education and Training (IMET), antiterrorism, and the recently authorized account for nonproliferation and export control assistance. Specific programs requiring additional oversight include security assistance for new NATO member states and Middle East states

l. Implementation of UN reform/arrearages legislation and progress of international organization reform efforts; oversight of potential U.S. reentry into United Nations Educational Scientific and Cultural Organization (UNESCO); review of U.S. policies promoting the hiring of Americans by the UN and other international organizations

m. International crime:

i. Growing links between organized crime, illicit drugs, and global terrorism

ii. Impact of U.S. foreign assistance in the rule-of-law and anticorruption areas on U.S. ability to combat international crime

iii. International criminal organizations in Africa and implementation of plans for an International Law Enforcement Academy for Africa and Latin America

iv. Impact of international smuggling of humans, arms, and narcotics; document fraud; and money laundering

v. International intellectual property piracy issues – how piracy is being used to support international crime and terrorism, and its impact on the American economy

vi. International economic espionage and how it hurts American business and interests

vii. Extraterritorial prosecutions of U.S. law violations

n. Oversight of agency implementation of the Government Performance and Results Act ("GPRA")

o. Narcotics

i. The continuing heroin crisis in the United States and the Administration's plans for dealing with it

ii. Source nation strategies, with special attention to Colombia and Peru

iii. Eradication efforts and their effectiveness; alternative development

iv. The "certification process" and the annual drug certification determinations for the major drug producing and transit nations around the globe

v. Aggressive oversight of the war on drugs in the western hemisphere and of the Administration's implementation of Plan Colombia

vi. Efforts to avoid disruption of U.S. counternarcotics aerial interdiction operations

p. Terrorism/espionage

i. Al-Qaeda and the Global War on Terrorism, including freezing of terrorist-related assets and international cooperation against international terrorism

ii. The AMIA (Buenos Aires Jewish Community building) bombing

iii. The emerging threat of Islamic fundamentalist-based terrorism in Latin America

iv. Effectiveness of the U.S. technological response to terrorism

v. Border security programs, to include overseas visa lookout system in light of the new provisions of law relative to the exclusion of aliens who are members of foreign terrorist organizations

vi. Security of U.S. government facilities abroad

vii. Oversight and evaluation of the State Department's post-East Africa terrorist bombings security program

viii. Plans and expenditure of the monies provided by the Congress to increase post security around the globe. This oversight to include review of personnel increases and asset management to minimize cost of property acquisition

ix. Review of the Federal Government's efforts at coordinating international counter-terrorism programs through the State Department

x. Review of the Administration's new national security strategies

q. Effectiveness and expansion of multilateral export controls, including international code of conduct for arms sales; Role of Wassenaar export control arrangement and other international fora

3. State Department and related agencies operations

a. Review of smaller international organizations to which the U.S. belongs

b. Overseas property management: management of the foreign buildings; expenditures of supplemental funds; progress on asset management (property disposal and acquisitions); review of supplemental spending plan

c. Management of the foreign affairs agencies' workforce -- Implementation and development of staffing models, including review of the future of the Foreign Service; personnel practices, and management of overseas presence; assignment process;

utilization of the civil service; size of the Senior Foreign Service and Senior Executive Service

d. American Institute in Taiwan (general oversight)

e. International Border Commissions

f. Hearing with the Secretary of State on the FY 2004 budget and authorization issues, including GPRA issues, supplemental spending plans, public diplomacy and reorganization plans, etc.

g. Review of the separation of the international broadcasting function and the organizational structure of the newly independent agency. Review of language service modernization plans. Review of quality control issues of VOA and RFE/RL and the Broadcasting Board of Governors' responsibility to assure broadcasts are of the highest quality

h. Review of management of worldwide refugee programs and emergency response capability

i. Oversight of the jointly-managed Diplomatic Telecommunications Service and legislation enacted in the 106th Congress

j. Review of practice and procedures for receiving foreign parliamentarians

k. Review of exchange program issues respecting coordination and overlap, competition for management of the Fulbright program, mission planning on exchange participants

l. Review of the linkage of resources to foreign policy objectives

m. Review of public diplomacy programs and issues arising from the consolidation of programs formerly conducted by the United States Information Agency

n. Review of the implementation of the Intercountry Adoption Act

o. Review of the Office of Children's Services with emphasis on services related to abducted and adopted children

p. Review of the progress on modernizing information management systems, including connectivity between computer systems within overseas mission and between U.S. and overseas systems

q. Review of implementation of key Overseas Presence Advisory Panel

recommendations

r. Review of "contracting out" State Department functions

s. Review of the U.S. use of private military contractors for security and related functions

t. Review of the operations of the Office of Foreign Missions

4. Foreign Assistance

a. Review cost, management, donor coordination and impact of U.S. foreign assistance programs. Special emphasis will be given to major aid programs in:

i. Eastern Europe

ii. New Independent States of the former Soviet Union

iii. Drug-producing countries, with emphasis on Plan Colombia and the Andean region

iv. Haiti

v. Africa

vi. Activities that are research and promotional in character relating to international cooperation on environmental and other scientific issues

vii. Review of implementation of the Northern European Initiative and the Northern Europe Cross-Border Cooperation Act, especially environmental issues related to decommissioned Russian nuclear submarines

b. Review size, purpose and effectiveness of FY2004 and FY2005 International Affairs Function 150 budgets. Special emphasis will be given to expected Administration initiatives, such as:

i. Increased aid for HIV/AIDS and the Millennium Challenge Account initiative

ii. Increases in the Economic Support Fund program

c. Conduct special review of programs with noted problems focusing on activities highlighted in USAID Inspector General and GAO reports. Special emphasis will be given to USAID:

i. Missions and Operations

ii. Microenterprise Programs

iii. New Management System

iv. Strategic Objectives

v. Enterprise Fund Management

vi. The "R4" ("Review of Resources, Requirements, and Results") process

vii. Oversight of HIV/AIDS and other infectious disease initiative oversight

viii. Oversight of "monetization" programs

ix. Review of program evaluation policies

d. Special attention will be given to the effectiveness of programs that have consumed large amounts of Congressional attention in recent years, including:

i. U.S. participation in and contributions to international population planning activities and related programs and policies

ii. U.S. participation in and contributions to international child survival activities and related programs and policies

iii. Review of refugee and migration assistance programs and administrative expenses of the bureau charged with carrying out the purposes of the Migration and Refugee Assistance Act of 1962

e. Tour of worldwide progress of democracy; review efficiency and effectiveness of U.S. Government-funded democracy programs; review support for the democratic opposition in Iraq

f. Review of anticorruption foreign assistance programs and other programs designed to reduce corruption in foreign countries

5. Europe

a. Periodic reviews of the region with the Assistant Secretary of State for European Affairs

b. Review U.S.-EU relations (political, security, trade and financial issues; European integration; cooperation in the campaign against global terrorism; transparency

in European rulemaking and legislating); EU enlargement; European Security and Defense Policy and its implications for the United States

c. Review of NATO, including transformation, internal restructuring and capabilities; enlargement process and related legislation

d. Review of U.S. policy toward Russia:

i. Growing anti-Western attitudes

ii. Political and economic reforms

iii. Progress in the rule-of-law

iv. Status of Russian military and reform progress

v. Russian foreign policy objectives

e. Developments in, and U.S. policy toward, Serbia and Montenegro and the former Yugoslav Republic of Macedonia; prospects and problems in Bosnia and Kosovo; developments regarding the International Criminal Tribunal for the Former Yugoslavia

f. Developments in the Caucasus and Caspian region including antiterrorism programs, energy, pipeline security and the negotiations over a Nagorno-Karabakh settlement

g. Developments in the Northern European Region including U.S. interests, policy and events in the Baltic states and the surrounding region

h. Developments in, and examination of U.S. policy toward, the Ukraine, Belarus and Moldova

i. Review of Cyprus peace negotiations

j. Review of Northern Ireland peace process

k. Oversight of SEED Act assistance programs

l. Enterprise Funds in Eastern Europe and the NIS

m. Status of British and French war debt

6. Middle East and Central Asia

a. Periodic reviews of the region with the Assistant Secretaries of State for Near

Eastern Affairs, European and Eurasian Affairs, and South Asian Affairs

b. Review of U.S. policy toward Iraq, including the Iraq Use of Force Resolution of 2002 and the implementation of the Iraq Liberation Act of 1998

c. Review of U.S. policy towards Iran

d. Review of the Middle East peace process and related assistance, including the need for a program authorizing enterprise funds, regional people-to-people programs, and a possible "Marshall Plan for the Middle East"; review of assistance to the Palestinians, including assistance to and operations of the United Nations Relief and Works Agency

e. Review of Gulf policy (Saudi Arabia and Gulf Cooperation Council states)

f. Review of Iranian foreign policy objectives in the Middle East

g. Review of U.S. economic assistance to countries in the region, including the Middle East Partnership Initiative

h. Review of U.S. economic interests and economic development in the Middle East

i. Review of U.S. military assistance and related programs

j. Review of Peace Corps policies and activities

k. The future of embassy security in Israel, Lebanon, Syria, and Qatar

l. Review of potential U.S. involvement in international peacekeeping in the Jordan Valley

m. Foreign Assistance Oversight – review cost, management, donor coordination and impact of U.S. foreign assistance programs, with special emphasis on West Bank/Gaza, Jordan, Lebanon, and Egypt

n. Progress on moving the U.S. embassy from Tel Aviv to Jerusalem

o. Oversight of U.S. preparedness against terrorist activities directed at U.S. diplomatic and military assets in the region

p. Preparing for UNIFIL's departure of Southern Lebanon

q. Oversight of USAID activities in Central Asia

r. Review of water conservation and energy development in the region

s. The future of Afghanistan and implementation of the Afghanistan Freedom Support Act of 2002

t. U.S. interests in the Central Asian republics

7. Asia and the Pacific

a. Periodic reviews of the region with the Assistant Secretaries of State for East Asian and Pacific Affairs and for South Asian Affairs

b. Overview of U.S. interests and foreign policy in the Asia-Pacific region: bilateral alliances; ASEAN and other regional organizations; USAID programs; public diplomacy; international terrorism and counterterrorism cooperation; democracy promotion and human rights; military-to-military relations; U.S. trade policy, including proposed free trade agreements; "great power" relations in the region; health (HIV/AIDS) and environmental concerns; and efforts to better coordinate antitrafficking in human persons policies

c. Compact of Free Association: Oversight of and authorization for the new agreement that the U.S. is renegotiating with the Republic of the Marshall Islands and the Federated States of Micronesia

d. Bangladesh: political stability and ongoing democratization efforts; economic reform and market opening policies; social and economic development; and improvement of human rights

e. Burma/Myanmar: U.S.-Burma relations; human rights; progress toward democracy and national reconciliation; counternarcotics; and efforts to address humanitarian concerns such as HIV/AIDS

f. Cambodia: Democratization and electoral reform; human rights practices; and the Khmer Rouge tribunal issue

g. China: Economic, political, and strategic relations; cooperation on counterterrorism; implementation of China's bilateral and multilateral trade agreements; human rights practices, rule of law, and religious freedom; economic and social change; treatment of ethnic minorities in Tibet and Zinging; relations with North Korea and the treatment of North Korean refugees; nonproliferation and technology transfer issues

h. East Timor: U.S. assistance programs; political stability; democratization and economic development; justice for post-referendum violence

i. Hong Kong: Protection of civil liberties since reversion; Article XXIII and the proposed antisedition law; trade and export control issues

j. India: Strengthening the U.S.-Indian partnership; cooperation in counterterrorism and nonproliferation policy; regional cooperation; defense cooperation; economic relations and high technology trade; Indo-Pakistani rivalry and Kashmir

k. Indonesia: Democratization and civil society building; counterterrorism cooperation; human rights practices and development of the rule of law; military and police reform; military-to-military relations; economic and financial reforms; decentralization; role of Islam in civil society; intercommunal conflict; peace and stability in Aceh and Papua

l. Japan: Strengthening the U.S.-Japan alliance; economic and financial reform; cooperation in counterterrorism; defense cooperation; and cooperation in resolving the North Korean nuclear challenge

m. Nepal: Efforts to end the Maoist insurgency; governance and parliamentary democracy; economic and environmental concerns; Bhutanese and Tibetan refugees; cooperation in counterterrorism; and U.S. foreign assistance

n. North Korea: Nuclear weapons and WMD development; development and export of ballistic missiles and other weapons technology; oversight of Korean Peninsula Energy Development Organization (KEDO); humanitarian and food aid issues; human rights practices; refugees; economic and political stability; and POW/MIA issues.

o. Pakistan: Proliferation of weapons of mass destruction; cooperation in counterterrorism; Kashmir and cross-border terrorism; democratization and human rights; and economic reform and development.

p. Republic of Korea: strengthening the U.S.-ROK alliance; defense cooperation and the future of the U.S. military presence on the Korean peninsula; cooperation in resolving the North Korean nuclear challenge; progress in North-South dialogue; economic reform and trade issues; and U.S. public diplomacy

q. Sri Lanka: Progress toward ending communal strife; political reform and participation by all communities; cooperation in counterterrorism; efforts to deepen bilateral relations, including return of the Peace Corps

r. Taiwan: Strategic stability across the Taiwan Strait; Taiwan Relations Act implementation; and cross-strait relations

s. Vietnam: economics and trade; prospects for military-to-military relations; human rights practices and religious freedom; treatment of Montagnard minorities in the

Central Highlands; refugee processing issues; and POW-MIA issues

t. Strengthen economic, political and trade relations with New Zealand, Australia, and Pacific Island Nations of Oceania

8. Western Hemisphere

a. Periodic reviews of the region with the Assistant Secretary for Western Hemisphere Affairs

b. In General -- U.S. efforts in support of democratic institutions, political stability and economic growth in the region; implementation of agreements from the Summit of the Americas

c. Trade -- U.S. efforts to implement the Free Trade Area of the Americas (FTAA) and Free Trade Agreements with Chile and Central America

d. Central America -- Regional economic and political integration and counterdrug cooperation; Nicaragua (property issues; GAO review of U.S. democracy assistance); Guatemala (drug-related corruption; GAO review of U.S. democracy assistance); and El Salvador (GAO review of U.S. democracy assistance)

e. Security -- U.S. counternarcotics assistance in general and U.S. support for Colombia in particular; transnational criminal and terrorist threats; and U.S. military and police training in the region (Western Hemisphere Institute for Security Cooperation)

f. South America -- Argentina (elections, economic stabilization); Brazil (bilateral cooperation); Chile (free trade agreements sales); Peru (elections; GAO review of U.S. democracy assistance); Ecuador ("dollarization," stability); Colombia (Peace process; GAO review of U.S. democracy assistance); Bolivia (stability); and Venezuela (Oil/OPEC, democracy); Paraguay (corruption, terrorism, democracy)

g. Cuba -- internal dissident movements; Cuba broadcasting; and implementation of LIBERTAD Act

h. Mexico -- political reforms; drug cooperation and corruption; and border issues

i. Canada -- trade, defense, and border issues

j. Haiti -- policy review; law enforcement; support for democratic elements in Haitian society; and promoting sustainable investment/jobs

k. Other Caribbean nations (drug cooperation, economic stability)

l. U.S. relations with the Organization of American States

9. Africa

a. Periodic review of the region with the Assistant Secretary of State for African Affairs

b. Human rights issues and rule of law/good governance issues, including their relation to trade and development

c. Ongoing democratization efforts in Africa, including the growth of institutions promoting freedom of the press, pluralism, and the participation of civil society

d. U.S. relations with African regional and subregional organizations, e.g., African Union, NEPAD, ECOWAS, COMESA, SADC

e. Impact of multilateral and bilateral debt of African economies, and the role of the International Monetary Fund (IMF), the World Bank (WB), and other International Financial Institutions (IFIs) in Africa

f. U.S. trade and investment in Africa, including oversight of the African Growth and Opportunity Act and review of non-tariff trade barriers and their connection to trade, corruption, and development

g. Development of Africa's energy and other natural resources

h. Oversight of the Administration's efforts to combat infectious diseases in Africa, particularly HIV/AIDS, including U.S. support for the Global Fund to Fight AIDS, Tuberculosis & Malaria

i. Review of developments in African countries gripped by conflict (e.g., Democratic Republic of Congo, Liberia, Somalia, Sudan, etc.), and the ongoing conflict resolution efforts, including peacekeeping issues in Sierra Leone, Ethiopia-Eritrea, and Western Sahara, and the Special Court for Sierra Leone

j. African Contingency Operations Training and Assistance, Operation Focus Relief, and other U.S. efforts to provide training, equipment, and support for regional peacekeeping efforts in Africa

k. Arms proliferation issues in Africa, including small arms trafficking

l. Africa's cooperation in the war on terrorism, with particular focus on U.S. efforts to provide counterterrorism training, equipment, and support for "front-line states" in east

Africa and the Sahel

m. Worldwide efforts to stem the direct and indirect trade of conflict diamonds from Sierra Leone, Angola, the Democratic Republic of Congo and other countries, including U.S. support for the Kimberly Process

n. Corruption and organized crime in Africa

o. Slavery and its "vestiges" in Africa

p. U.S. public diplomacy efforts, including education initiatives for Africa

q. Relations with critical states of South Africa and Nigeria

r. Review of U.S. policy towards North Africa, with special attention to Libya

s. Review of growing religious tensions on the Continent

t. Review of U.S. policy toward problematic regional leaders such as Charles Taylor (Liberia) in Western Africa and Robert Mugabe (Zimbabwe) in Southern Africa

u. Continued oversight of issues relating to the Sudan Peace Act (Public Law 107-245) (with special emphasis on reviewing progress on denying the Government of Sudan access to oil revenues to ensure that it does not directly or indirectly use oil revenues to purchase or acquire military equipment or to finance any military activities) and the Zimbabwe Democracy and Economic Recovery Act (Public Law 107-99).

v. Gaps in official presence in Africa

10. Human Rights

a. Review of the State Department's annual "Country Reports on Human Rights Practices"

b. Implementation of the Universal Declaration of Human Rights and other internationally recognized human rights

c. Torture Victims Relief Act issues

d. Child Labor - Administration efforts to implement International Labor Organization child labor conventions; slave labor; and related practices

e. International refugee protection and resettlement

f. International trafficking in women and children - implementation of Trafficking

Victims Protection Act

g. Religious persecution - Oversight of implementation of the International Religious Freedom Act of 1998

h. Review of People's Republic of China (political and religious repression, forced abortion and sterilization, forced labor, situation of Tibetan and Uighur minorities)

i. Sudan (slavery, religious and race-based persecution, genocide)

j. Central Africa (human rights and refugee issues in the Democratic Republic of Congo, Rwanda, Congo, and surrounding countries)

k. Vietnam (religious and political persecution, access to U.S. resettlement programs, and related issues)

11. Economic Policy, Trade, and the Environment

a. Enterprise Funds

b. Overview of global trade situation and implementation of International Monetary Fund terms and conditions

c. Trade distorting actions by foreign governments (bribery, economic espionage, manipulation of customs rules, import licensing, skewing health and safety standards, etc.); Mutual Recognition Agreements ("MRAs"); and efforts by other foreign governments to implement the OECD Anti-Bribery Convention

d. OPIC/TDA/EXIM Oversight; Commerce Department trade promotion and enforcement activities

e. Overview of the Export Administration Act (EAA) and the views of the Administration on legislation reauthorizing and modernizing its provisions

f. Implementation of Iraq, Iran and other sanctions regimes by State and Treasury

g. Global environmental trends: International instability and national security

h. The U.S. government position on global warming/Kyoto Protocol

i. How environmental cooperation can enhance bilateral relations and U.S. interests abroad

j. Impact on U.S. business due to the lack of foreign export credit agency environmental standards

k. Role of regional trade agreements in promoting a new global trade round and global economic growth; and progress toward a new global trade round

l. Foreign government adoption of standards adverse to U.S. interests

U.S. House of Representatives
Committee on the Judiciary
Washington, DC 20515–6216
One Hundred Eighth Congress

February 13, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Davis:

Pursuant to clause 2(d)(1) of Rule X of the Rules of the House, I hereby submit to you the Oversight Plan for the House Judiciary Committee for the 108th Congress. This Plan was adopted by the Committee in open session by voice vote on February 12, 2003. An electronic copy will also be submitted, pursuant to your request, to Randy Kaplan, Senior Counsel to the Committee.

Please let me know if you have any questions.

Sincerely,

F. JAMES SENSENBRENNER, JR.
Chairman

fjs/jka

108th Congress

Committee on the Judiciary

Oversight Plan

FULL COMMITTEE

I. War on Terrorism. The Committee will examine the Department of Justice's counterterrorism efforts, including implementation of the USA PATRIOT Act and the use of other authorities to detect, investigate, and prevent terrorist attacks without undue intrusions on privacy and civil liberties, including the use of the Attorney General's Investigative Guidelines, detention authorities, data mining as an investigative tool, and money laundering regulations.

II. Federal Law Enforcement Information Sharing. The Committee will examine the progress made by the Justice Department and other federal agencies to share information among themselves to prevent terrorism.

III. Department of Homeland Security. The Committee will conduct oversight on the Department of Homeland Security's role in securing the Nation against terrorism, including the operations of all law enforcement functions transferred to the Department and coordination with federal, state, and local law enforcement.

IV. Antitrust

A. Modernization of the Antitrust Laws. The Committee will monitor the work of the Antitrust Modernization Commission established by the 21st Century Department of Justice Authorization Act (Public Law 107-296) last Congress. The Committee will also continue to consider modernization of the antitrust laws in light of the new economy, especially with respect to the intersection of antitrust law and intellectual property law as well as the application of antitrust law in the international realm. The Committee will also consider whether the antitrust laws need any technical corrections or updates.

B. Defense Industry. The Committee plans to consider the potential anticompetitive implications of continuing consolidation in the defense sector.

C. Agriculture Industry. The Committee will continue to consider antitrust problems in the agriculture industry including dairy compacts and concentration in agricultural industries.

D. Hart-Scott-Rodino Act Reforms. The Committee will review the implementation of the recent changes to the merger review process under the Hart-Scott-Rodino Act. The Committee will also consider whether filing fees under the Hart-Scott-Rodino Act will provide adequate funding for the antitrust enforcement agencies if mergers decrease or whether the agencies ought to be funded out of general revenues.

E. Electricity Deregulation. The Committee will consider the antitrust implications of proposed electricity deregulation legislation.

F. Transportation Industries. The Committee will continue to consider antitrust problems in various transportation industries including **airline competition**, the ocean shipping exemption, and the antitrust authority of the Surface Transportation Board.

G. Telecommunications Industry. The Committee will continue to review the implementation of the Telecommunications Act of 1996, including efforts to speed the delivery of broadband services to all Americans and the impact of expected FCC actions on competition in the broadband industry.

H. General Oversight of the Antitrust Enforcement Agencies. The Committee will continue its tradition of holding a general oversight hearing on the antitrust enforcement agencies during each Congress.

I. Media Consolidation. The Committee will examine the role of the Justice Department in media consolidation.

J. Standard Setting Exemption. The Committee will examine the need for an exemption from the antitrust laws for discussions and agreements to set standards within various industries.

K. Health Care Antitrust. The Committee will examine whether allowing health care providers to collectively bargain with insurance providers will result in improved health care practices.

V. Department of Justice Authorization. The Committee will aggressively concentrate on an overall review of the Department of Justice with the engagement by the Subcommittees with the Department components that are specifically under their jurisdiction.

VI. Budget and Programmatic Oversight. The Committee will coordinate and oversee routine budget and programmatic oversight by each Subcommittee of the departments and agencies under the jurisdiction of the Committee, with particular emphasis on compliance

with the Results Act. Also under review will be issues within the Committee's jurisdiction noted in GAO's High Risk List, GAO's Major Management Challenges and Program Risks, and the relevant agency Inspectors General list of top ten major management problems. Of particular focus will be the Department of Justice's Office of Justice Programs.

VII. The Hyde Amendment. The Committee may conduct oversight regarding the invocation and implementation of the Hyde Amendment, which passed in the 105th Congress and allows a defendant in a Federal prosecution to be reimbursed for legal expenses when the government's prosecution is found to be vexatious.

VIII. Electoral Reform. The Committee will conduct oversight on implementation of the Help America Vote Act of 2002.

IX. Digital Divide. The Committee will examine the "digital divide" – the divide between those with access to new technologies and those without.

X. Whistleblowers. The Committee will examine whistleblower protections in the Federal Government.

XI. Internet Gambling Commission. The Committee will examine the feasibility of establishing a commission to (1) study Federal, state, and local laws governing online wagering, and (2) issue guidelines for regulating Internet gambling.

XII. U.S. Olympic Committee. The Committee expects to review whether the U.S. Olympic Committee, a federally-chartered organization, has complied with the responsibilities expressed in its charter and the Ted Stevens Olympic and Amateur Sports Act. The Committee also will review the extent to which the USOC's structure and accountability controls enable it to comply with its Federal mandate.

XIII. Trade Agreements. The Committee will examine the impact of trade agreements on antitrust, immigration, and intellectual property laws and on the limitations such agreements may place on Congress's ability to legislate in these areas.

SUBCOMMITTEE ON COMMERCIAL AND ADMINISTRATIVE LAW

I. Administrative Process and Procedure

The Subcommittee has jurisdiction over legislation affecting the rulemaking and adjudicatory procedures of Federal agencies. According to the GAO, federal agencies promulgated 12,216 rules during the period of January 2000 to December 2002. In 2002 alone, 3,921 rules were promulgated, including 49 "major" rules (defined as rules having an annual effect of $100 million or more on the national economy). Oversight of the

administrative process and procedure will continue to be an important aspect of the Subcommittee's oversight agenda during the next Congress.

A. Administrative Taxation. Congress has plenary power to impose and raise taxes. Agency rules that impose or raise taxes or have the effect of imposing or raising taxes may interfere with this Congressional authority. During the 108th Congress, the Subcommittee expects to continue to review: (1) agency rules and adjudicatory findings that may have the effect of imposing or raising taxes; and (2) whether such actions are taken with congressional authorization.

B. Congressional Review Act. The Congressional Review Act provides a legislative mechanism for Congress to invalidate proposed agency rules. As in prior Congresses, the Subcommittee will continue to serve as a resource for congressional staff about the Act as well as the procedural requirements that underlie its effective implementation. The Subcommittee may conduct oversight hearings as deemed necessary.

C. Judicial Review of Regulatory Flexibility Act. In 1996, the Small Business Regulatory Enforcement Fairness Act (SBREFA) amended the Regulatory Flexibility Act to grant judicial review to small businesses affected by an agency's failure to perform a Regulatory Impact Analysis of proposed rules. The Subcommittee will continue its oversight of the judicial review provisions of SBREFA and may conduct an oversight hearing on the administrative and constitutional aspects of the nondelegation doctrine during the 108th Congress.

D. Agencies as Policymakers. The Subcommittee expects to continue to research whether, and, if so, to what extent agencies compete for policymaking primacy with the legislative branch. Agency practices that the Subcommittee may consider include: implementation of policies that Congress has considered and declined to effectuate; use of consent decrees to achieve policy goals that lack any legislative basis; efforts to impose rules or regulations under consideration by Congress; use of agency resources to influence the legislative process; and efforts by agencies to ignore or circumvent statutory requirements imposed by Congress.

E. Executive Orders. The executive order is a well-known instrument employed by Presidents to manage the affairs of the Executive Branch. While most are routine and non-controversial, others raise questions concerning the separation of powers between the branches. During previous Congresses, the Subcommittee has held hearings and considered legislation. While no legislation has been reported, many Members expressed a shared recognition that compromise legislation in this area was likely to garner bipartisan support. The Subcommittee expects continued oversight in this area.

II. Agencies

A. Legal Services Corporation. The Subcommittee has authorizing jurisdiction over several executive branch agencies and other entities, including the Legal Services Corporation (LSC). During the 106th and 107th Congresses, the Subcommittee conducted oversight hearings on allegations that LSC grantees over-counted the cases they handled and with respect to LSC's compliance with legislative restrictions. It is anticipated that the Subcommittee will continue to monitor the Corporation's progress on these issues and other matters during the 108th Congress.

B. Other Agencies. In addition to LSC, the Subcommittee has authorization responsibility for the following executive branch agencies: the Executive Office for United States Attorneys, the Civil Division of the Department of Justice, the Environment and Natural Resources Division of the Department of Justice, the Executive Office for United States Trustees, and the Office of the Solicitor General. In addition, the Subcommittee has authorization responsibility of the Federal bankruptcy court system. The Subcommittee conducted hearings and engaged in oversight of these entities during the previous three Congresses and anticipates continuing those efforts.

III. Interstate Compacts

The Constitution requires that the Congress approve compacts or agreements between two or more states in order to assure these will not adversely impact Federal interests or those of other states. The Subcommittee has approved several compacts during the last three Congresses that were enacted into law and it expects to engage in oversight to determine whether the process whereby states seek congressional approval is being observed. This effort may include travel to various states as for example it did during consideration of the Red River Boundary compact (H.J. Res. 72) during the 106th Congress when staff met in Austin, Texas, with representatives of Texas, Oklahoma and several Indian tribes and nations. During the 107th Congress, the Subcommittee conducted an oversight hearing on the Alabama-Coosa-Tallapoosa River Basin Compact and the Apalachicola-Chattahoochee and Flint River Basin Compact with respect to the status and progress of the signatory states' efforts to implement these Compacts.

IV. Bankruptcy

The Subcommittee has jurisdiction of the Bankruptcy Code (11 U.S.C. 101 *et seq.*) and related provisions codified in titles 18 and 28 of the United States Code. In addition, the Subcommittee has jurisdiction over bankruptcy judgeships. During the last three Congresses, the Subcommittee has held numerous hearings on comprehensive bankruptcy reform legislation. In addition, the Subcommittee in the 107th Congress held a hearing on

a proposed settlement of litigation pertaining to the Federal Communication Commission's attempted cancellation of a Chapter 11 debtor's spectrum licenses. Additional matters that may be considered by the Subcommittee in the next session include oversight of whether Chapter 11 fosters anti-competitive advantages; issues relating to the treatment of mass torts in bankruptcy; and whether the Bankruptcy Code unduly restricts the ability of governmental agencies to issue and rescind licenses issued to debtors.

A. Effect of Bankruptcy on Pensions. The Subcommittee will continue to study the impact of the bankruptcy law on pensions and will determine if the Bankruptcy Code provides adequate protections for employee pensions, wages, and benefits in bankruptcy cases and proceedings.

B. Family Farmers. The Subcommittee may consider holding a hearing on Chapter 12 of the Bankruptcy Code.

C. Creditor Abuse/ Predatory Lending Practices. The Subcommittee may consider holding a hearing on predatory lending practices.

V. Privacy. The Subcommittee will continue its oversight of the privacy ramifications of agency actions, including rulemaking, inter-agency administration, and regulatory enforcement.

VI. Specific Statutory Oversight

A. Federal Debt Collection Act. The Subcommittee has jurisdiction over Federal debt collection and anticipates oversight in this area of responsibility, including the operation of the Federal Debt Collection Act of 1990 and other aspects of Federal debt collection.

B. Contract Disputes Act. The Subcommittee has jurisdiction over the Contract Disputes Act (41 U.S.C. 601 *et seq.*) enacted into law in 1978 in response to recommendations made by a Federal commission on procurement. The Subcommittee anticipates oversight of the operation of the Act to determine how well it has achieved its purpose and to evaluate the performance of the Board of Contract Appeals.

C. Negotiated Rulemaking Act. The Subcommittee has jurisdiction over the Negotiated Rulemaking Act (5 U.S.C. 581 *et seq.*) and anticipates overseeing how effectively the statute is being implemented and the degree of its utilization by agencies.

D. Administrative Dispute Resolution Act. The Subcommittee has jurisdiction over the Administrative Dispute Resolution Act (5 U.S.C. 571 *et seq.*). It anticipates oversight to determine the effectiveness of the dispute resolution procedures authorized under the statutes.

E. Administrative Procedure Act. The Subcommittee has jurisdiction over the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) and other legislation affecting the rulemaking and adjudicatory procedures of Federal agencies. The Subcommittee anticipates oversight of these areas to determine whether the APA can be improved and/or streamlined. The Subcommittee also expects to examine whether APA procedures are being observed and whether amendments and additional statutory protections are advisable.

F. Federal Arbitration Act. The Subcommittee has jurisdiction over the Federal Arbitration Act (9 U.S.C. 1 *et seq.*), which was originally enacted in 1925 to facilitate and encourage the enforcement of arbitration agreements. The Subcommittee anticipates oversight of the operation of the Act to assess how well it has achieved its intended purposes.

G. Voluntary Arbitration. The Subcommittee will examine mandatory arbitration clauses found in franchise agreements.

VII. State Taxation Affecting Interstate Commerce. The Subcommittee has jurisdiction over state taxes that affect interstate commerce. The Subcommittee anticipates that it will consider several legislative initiatives in this area and, in addition, will conduct continuing oversight, when necessary. Legislative and oversight issues may include: the internet tax moratorium, business activity taxes, and the collection of sales and use taxes from remote vendors.

VIII. Civil Remedies Against Sports Agents for Predatory Practices. The Subcommittee will conduct oversight of the contracts entered into by predatory sports agents and amateur athletes to determine the appropriate remedies for athletes and schools who are wronged by such practices.

IX. Natural Resources. The Subcommittee will examine the role of the Justice Department's Environment and Natural Resources Division ("ENRD") in federal law enforcement on public lands, such as the National Parks, the National Forests, and other public lands owned by the United States government. The Subcommittee will increase its oversight of ENRD's work with agencies charged with preventing the theft of forest products and minerals, illicit drug production, and the poaching of wildlife.

SUBCOMMITTEE ON THE CONSTITUTION

I. The Death Penalty. The Subcommittee will consider the constitutional issues raised by the implementation of the death penalty in the states, including its application to persons later found innocent and steps to prevent such application.

II. United States Commission on Civil Rights. The United States Commission on Civil Rights is intended to serve as an independent, bipartisan fact-finding agency. The Subcommittee will review the work of the Commission, its management , and its implementation of GAO's 1997 management recommendations.

III. Civil Rights Division, U.S. Department of Justice. The Subcommittee will examine the enforcement record, priorities, and authorization request of the Civil Rights Division. The Subcommittee will focus on the Division's activities in the areas of education, employment, credit, housing, public accommodations, law enforcement practices, voting rights, and federally funded and conducted programs. The Subcommittee will specifically examine the implementation/enforcement and impact of pending school desegregation cases, title VII of the Civil Rights Act of 1964, and the Voting Rights Act of 1965.

IV. Community Relations Service. The Subcommittee will consider the operation of the Community Relations Service.

V. Congressional Authority Under the Commerce Clause. In light of recent Supreme Court decisions limiting Congress' authority to enact legislation under the Commerce Clause, the Eleventh Amendment, and section 5 of the Fourteenth Amendment, the Subcommittee plans to consider the boundaries of the Commerce Clause and the importance of such boundaries to our federalist system.

VI. Office of Government Ethics. The Subcommittee will consider the priorities and operation of the Office of Government Ethics, including current financial disclosure requirements.

VII. Athletic Opportunities under Title IX. The Subcommittee will examine the findings of the Title IX Commission on Athletic Opportunities regarding the impact of Title IX on collegiate sports.

VIII. Admissions Policies. The Subcommittee will consider admissions policies adopted in the states in the wake of affirmative action litigation and referenda, such as Washington, Georgia, Texas, Florida, and California.

IX. Property Rights. The Subcommittee will consider the current state of the protection and enforcement of property rights.

X. Religious Liberty. The Subcommittee will consider the federal role in the protection of the free exercise of religion, and the separation of church and State, including charitable choice and the funding of faith-based social services through vouchers.

XI. Abortion. The Subcommittee will examine the constitutionality and enforcement of federal and state statutes that relate to the performance of abortions.

XII. War on Terrorism. The Subcommittee will consider constitutional issues associated with the War on Terrorism, including the use of military tribunals for the trial of captured unlawful combatants.

XIII. DNA Technologies. The Subcommittee will examine constitutional issues associated with the implementation of various DNA database programs.

XIV. Environmental Justice. The Subcommittee will examine the enforcement of Title VI of the Civil Rights Act of 1964 by the U.S. Environmental Protection Agency, Office of Civil Rights.

XV. Freedom of Access to Clinic Entrances (FACE). The Subcommittee will conduct oversight of the enforcement of the FACE Act.

XVI. Violence Against Women Civil Rights Remedy. The Subcommittee will examine enforcement of the Violence Against Women Act in light of the U.S. Supreme Court's ruling in U.S. v. Morrison.

SUBCOMMITTEE ON COURTS, THE INTERNET, AND INTELLECTUAL PROPERTY

I. The Federal Judicial System

The Subcommittee will continue to devote considerable time and resources to improving the delivery of justice by Federal and State Courts.

The Subcommittee has oversight responsibility for three entities located within the Federal Judicial Branch: (1) the Judicial Conference of the United States; (2) the Administrative Office of the U.S. Courts and (3) the Federal Judicial Center. The Subcommittee also has jurisdiction over the Federal Rules Enabling Act and the Advisory Committees on Civil Rules, Appellate Rules and Rules of Evidence.

A. Administrative Office of the U.S. Courts. The Administrative Office of the U.S. Courts was created by Congress in 1939, and assigned the responsibility for administrative duties for the Federal Courts, including preparation of the

Judiciary's budget, gathering of statistics for the judicial branch, and implementing the policies of the Judicial Conference. The Subcommittee plans to conduct oversight on the Federal Judicial Branch and the functioning of the Administrative Office.

B. Judicial Misconduct. Last term the Subcommittee conducted an oversight hearing on the relevant judicial misconduct statutes. Based on the hearing testimony, amendments to the 1980 discipline and disability act – the mechanism by which citizen complaints may be formally registered against federal judges – were included in the DOJ bill. Among other things, these revisions make the statute more "user- friendly"and clarify the responsibilities of a chief judge when reviewing complaints. The Committee may now wish to follow-up on these efforts by conducting further oversight to determine whether this self-policing construct is working well.

C. Judgeship Bill. Although the Department of Justice Authorization bill (Pub. L. 107-273) contained additional judgeships (eight new judgeships, four converted from temporary to permanent status, and seven temporary judgeships), the Judicial Conference has requested more. The Committee may wish to explore the merits of this request, including the criteria invoked by the Judicial Conference when gauging workloads and resource needs.

II. The U.S. Copyright System

The Subcommittee will continue to devote considerable time to oversee the operation of the copyright system in a world of ever changing technology. It is vital to the protection of our copyright industry that the Subcommittee be vigilant in its exercise of its jurisdiction to carry out its constitutional mandate to "promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries[.]" (Art. I Sec. 8. cl. 8)

A. The U.S. Copyright Office. The Subcommittee has oversight responsibilities over the operation of the U.S. Copyright Office, which is part of the Library of Congress. The Copyright Office has a number of responsibilities, from collecting and distributing copyright royalties to registering and granting certificates of copyrights to thousands of people each year. The Subcommittee will conduct further oversight on the changing needs and efficient operation of that office.

B. Funding. Last term the Copyright Office very nearly lost a sizable portion of its budget to other programs within the Library of Congress. The Subcommittee wants to revisit how the Office spends its budget, and what are the long-term consequences for the Office, the Congress, and the economy if the Office sustains massive cuts in the future.

C. Hardware Piracy. There is no shortage of data detailing the volume of hardware piracy internationally which implicates copyright interests. As a practical matter, this data essentially sets forth the estimated number of movie/music/software CDs/CD-ROMs/DVDs, etc., that are pressed and sold illegally to millions of consumers worldwide. The International Intellectual Property Alliance (IIPA) catalogues these abuses on a country-by-country basis. In addition, there is evidence that this piracy funds organized crime pursuits and, possibly, terrorist activities.

D. Digital Rights Management (DRM). One of the major issues driving the DRM debate is the issue of the "analog hole." The analog hole refers to the ability of new technologies (e.g., digital televisions and recordable dvd players) to make digital copies of analog broadcasts, thereby facilitating piracy. This is a major concern of copyright owners still broadcasting in analog format during the transition to high-definition television (HDTV).

Another important aspect of the debate is the potential for massive piracy of unprotected content once the transition to HDTV is complete. One solution strongly supported by content owners is the "broadcast flag." Broadcast flag refers to technology embedded in a digital broadcast transmission to prevent its unauthorized redistribution. As a result, several of the major movie studios were successful in convincing Senator Hollings to introduce legislation in the 107th Congress, S. 2048, which would impose government standards aimed at preventing digital theft of copyrighted works (movies, music) on software/ hardware manufacturers; i.e., the software/hardware manufacturers would be required to create and pay for a technological solution to digital theft of music and movies. Software/hardware manufacturers believe that the market and standard customer-vendor relationships should determine the outcome.

The FCC recently initiated a proposed rule-making on digital broadcast copy protection. The Commission specifically sought comments on the jurisdictional basis for Commission rules dealing with digital broadcast television copy protection. Chairman Sensenbrenner, Representatives Conyers, Coble, and Berman, and Senator Leahy sent a letter to FCC Chairman Powell reminding him of their jurisdiction over copyright and their concern over FCC action that could affect the exclusive rights granted under copyright law (especially that pertaining to digital broadcast copy protection). The staff of the FCC has contacted the Subcommittee staff in an effort to begin a dialogue while the Commission reviews the submissions and makes a final determination.

DRM and the music/movie issues effectively illustrate the predominant theme in the copyright world today: How do we protect digital works which are so easy to

steal and copy, while at the same time encouraging rights holders to develop business models that provide more choice for consumers? The legal rights of purchasers of content will also be the subject of review.

III. U.S. Patent and Trademark Systems

A. U.S. Patent and Trademark Office (PTO). The PTO is part of the Department of Commerce and the Subcommittee has oversight responsibilities for its authorization and its operation. The PTO is responsible for the examination and issuance of U.S. Patents and Trademarks. It is also responsible for the international negotiations with other intellectual property authorities, such as the European Patent Office and the Japanese Patent Office. The Subcommittee will examine the operations of the PTO. This will be part of a continuing review.

In June 2002 PTO Director Jim Rogan released a "Strategic Business Plan" outlining his vision for transforming agency operations, with the intent of improving patent and trademark quality while reducing work backlogs. Representatives of the affected user groups have endorsed portions – but not all – of the Plan. They continue to work behind the scenes with PTO officials to develop areas of consensus, including a possible fee increase, that could form the basis of a PTO authorization bill.

Improving PTO efficiency is critical in terms of securing more revenue for the agency through the appropriators.

B. Single, Low-Cost World Patent. The cost to U.S. companies and inventors of applying for and obtaining separate patents in each of 150 or more countries is prohibitive. In developing countries and even in Europe, patent fees are at such high levels that they constitute a tax on innovation. European government fees to obtain and maintain a patent are more than ten times the fees in the U.S. In addition, the expense of retaining separate patent attorneys or agents in each foreign country is burdensome and expensive. The United States could take a leadership role in negotiating an agreement under which countries would give full faith and credit to patents granted by an international organization or one of the three largest patent offices in the world– the U.S. Patent Office, the European Patent Office, or the Japanese Patent Office. Countries giving full faith and credit would charge a minimal fee for patenting in that country, and it would be unnecessary to retain separate patent attorneys or agents to obtain a patent in that country. The obstacles to negotiating and implementing such an arrangement would be formidable, but a single low-cost world patent is the best long-term approach to obtaining effective world-wide patent protection for U.S. companies and inventors.

C. USPTO operations: computer system, relocation, and new facility. The USPTO is becoming more of an online and electronic agency, especially with the development of its "East-West" computer system; however, some examiners have complained about the system and their preference for maintaining paper files. In addition, the USPTO recently undertook a groundbreaking ceremony in Alexandria, Virginia, for its new 2-million square foot facility that will centralize its operations. The Subcommittee will want to review the construction and furbishment of the new building. The facility will be completed by 2003 or 2004.

D. Diversion of USPTO revenue and its effects on agency and the economy. The USPTO became a completely fee-funded agency pursuant to the budget reconciliation act passed in 1990. Since 1992, however, more than $800 million in fee revenue has been diverted by congressional appropriators (with the support of both Republican and Democratic administrations) to other programs. The Subcommittee will want to explore in detail the consequences of this practice, both for the agency and the inventor community.

E. Bayh-Dole Act. The Bayh-Dole Act of 1980 imposes reporting, licensing, and other requirements on private businesses which conduct research, wholly or partially subsidized with federal grants, that result in patents and patentable inventions. Among its provisions, the Act confers a royalty-free license upon the government to make and use any federally-subsidized invention. The Committee may wish to explore whether grantees and the affected federal agencies are complying with the law.

F. Hatch-Waxman Reform. Hatch-Waxman is the 1984 law that establishes the rules-of-the-road for the development of pharmaceutical products, including generic brands, as well as the patent rules which govern term. Given the topicality of prescription drug reform, it is possible that an oversight hearing is warranted.

G. Dilution. Since 1995, the dilution theory grants protection to strong, well-recognized trademarks even when no likelihood of confusion exists due to use of similar trademarks on distinctly different and unrelated goods. To illustrate, dilution prevents someone from appropriating a Mercedes trademark (or a close facsimile) and using it to sell paper clips. A case recently argued before the Supreme Court (*Victor's Little Secret v. V Secret Catalogue*) has called into question the extent to which an aggrieved trademark holder must prove damages when alleging infringement by dilution. Depending on the outcome of the case, the Committee may wish to revisit the federal dilution statute on this issue.

H. Business Method Patents. The Subcommittee will examine the proliferation of business method patents. Concerns exist about the quality of such patents, and the effects they will have on innovation in both the software and Internet industries.

The examination will include a review of PTO initiatives to address these concerns.

SUBCOMMITTEE ON CRIME, TERRORISM, AND HOMELAND SECURITY

I. Drugs

A. Narco-terrorism. The Subcommittee will examine the nexus between international drug trafficking and terrorism and the Federal law enforcement effort in identifying, investigating, and dismantling organizations involved in terrorism and drug trafficking.

B. Major International Drug Traffickers. The Subcommittee will continue to examine the Federal law enforcement effort at identifying and apprehending those who conspire to import controlled substances into the U.S., with particular focus on the Drug Enforcement Administration's priorities.

C. Diversion of Controlled Pharmaceuticals. The Subcommittee will examine the Drug Enforcement Administration's investigative response to the diversion of controlled pharmaceuticals with a particular emphasis on the drug OxyContin. Controlled pharmaceuticals account for 30 percent of all reported deaths and injuries associated with drug abuse.

D. Medical Marijuana. The Subcommittee will continue to monitor Federal law enforcement efforts in aggressively enforcing federal drug laws relating to the sale and distribution of marijuana in States that have passed contrary laws. State laws in Oregon, Alaska, Hawaii, and California allow medical use of marijuana under specified conditions. However, under Federal law, marijuana is still classified as a Schedule I drug and is therefore still illegal.

E. Drug Sentencing. The Subcommittee will examine the disparity in drug sentencing as a result of the Sentencing Commission's amendments to the Sentencing Guidelines.

II. Prisons

A. The Prison Litigation Reform Act (PLRA). The Subcommittee will continue to review the implementation of the PLRA as it is enforced and litigated around the country.

B. Federal Assistance to Build State Prisons. The Subcommittee will continue to monitor the Justice Department's distribution of Violent Offender Incarceration grants to the States and the costs of such grants.

III. Federal Assistance to State and Local Law Enforcement. The Subcommittee will continue to monitor the Justice Department's state and local law enforcement grant programs.

IV. Brady Act. The "Brady Handgun Violence Prevention Act of 1994" required the FBI to develop and operate a national, point-of-sale, criminal background check system for all firearms purchases by federally licensed dealers. The Subcommittee will monitor the operations of the instant check system, particularly with regard to issues involving the timeliness and accuracy of checks, the adequacy of State recordkeeping procedures, the extent to which additional background check time prevents criminals from obtaining firearms, and the extent to which citizens legally entitled to purchase firearms are denied or delayed by the system. The Subcommittee will also review the practice of federal law enforcement regarding prosecuting attempted firearms purchases by prohibited purchasers.

V. The Federal Bureau of Investigation (FBI). As the largest Federal law enforcement agency, the FBI will be the subject of much of the Subcommittee's oversight activities. Among the areas of inquiry will be a review of the FBI's implementation of its reorganization plan, new security policies, the USA PATRIOT Act, and coordination with state and local law enforcement. Additionally, the Subcommittee will continue to monitor the FBI's efforts to update its computer systems.

VI. The Federal Bureau of Prisons (BOP). The Subcommittee will conduct extensive oversight of the management practices of the BOP. Attention will be given to issues relating to privatization of prison operations, drug treatment in prison, medical care in prisons, conditions for prisoners, prison overcrowding, the use of administrative maximum security housing units and facilities, the costs associated with increased prison construction, and the Federal prison industries program.

VII. Department of Homeland Security. The Subcommittee will conduct oversight of the law enforcement components, including the U.S. Secret Service, U.S. Customs, U.S. Coastguard.

VIII. U.S. Marshals Service. The Subcommittee will review the mission and operations of the U.S. Marshals Service, closely considering the allocation of resources as it relates to fugitive apprehension and court security.

IX. Sentencing Guidelines

A. U.S. Sentencing Commission. The Subcommittee will review the mission and operations of the U.S. Sentencing Commission.

B. Downward Departures. The Subcommittee will examine to what extent Courts are imposing sentences more lenient than those prescribed by the sentencing guidelines particularly in cases involving drug smuggling and child pornography.

X. Restitution. The Subcommittee will work with the General Accounting Office to determine whether restitution orders are being adequately enforced.

XI. Juvenile Justice. The Subcommittee will continue to review the Justice Department's implementation of the Juvenile Justice Act which became law last Congress.

XII. Domestic Terrorism. The Subcommittee will continue oversight regarding our national laws and strategy for combating domestic terrorism, including the efforts of the Departments of Justice and Homeland Security to coordinate.

XIII. Law Enforcement Training. The Subcommittee will examine the efficiency and effectiveness of the various law enforcement training programs by the Departments of Justice and Homeland Security.

XIV. Death Penalty. Oversight will be conducted on the Federal and state administration of the death penalty, including an examination of its application to persons later found innocent and efforts to limit such application.

XV. Law Enforcement Accountability. The Subcommittee will examine policies, procedures, and incentives for local police organizations to ensure (1) that incidents of misconduct will be minimized, and (2) that allegations of misconduct are investigated and prosecuted appropriately. Oversight will also examine the roles and responsibilities of federal law enforcement within the Departments of Justice and Homeland Security.

XVI. Re-entry of Ex-Offenders Programs. Oversight will be conducted on programs designed to improve employment, citizenship and reduce recidivism rates for prisoners re-entering their communities after incarceration passed last Congress.

XVII. Office of Justice Programs. Oversight will be conducted on the restructuring of the Office of Justice Programs to consolidate programs and reduce duplication

XVIII. Identity Theft/Fraud. The Subcommittee will examine the efforts of the Department of Justice, and other federal agencies, to reduce Identity theft and Identity fraud including the use of fingerprints and other biometric identifiers.

XIX. Information Sharing. The Committee will oversee information sharing between Federal, state, and local authorities, including implementation of USA PATRIOT and Homeland Security powers.

XX. Re-enfranchisement of Ex-Offenders. The Subcommittee will conduct oversight on whether convicted felons who have been released from incarceration should have the right to vote in Federal elections.

XXI. Corporate Fraud. The Committee will conduct oversight on remedies for corporate fraud, including implementation of the Sarbanes-Oxley Act and prosecution of white collar crime.

XXII. Criminal Copyright Enforcement. The Committee will examine Department of Justice's efforts to prosecute Internet copyright infringers.

XXIII. Government Surveillance. The Subcommittee will conduct oversight of the use of surveillance authority under the USA PATRIOT Act and the Cyber Security Enhancement Act.

SUBCOMMITTEE ON IMMIGRATION AND CLAIMS

I. Transfer of Immigration Functions to the Department of Homeland Security

The Subcommittee expects to conduct ongoing oversight of the transfer under the Homeland Security Act (Pub. L. 107-296) of the Department of Justice's Immigration and Naturalization Service's functions of immigration law enforcement and immigration service to the Department of Homeland Security. The goal will be to ensure that the transfer goes smoothly and as Congress intended and that it results in improved performance of both immigration functions by the federal government.

A. Immigration Benefit Adjudication. The Subcommittee's review of immigration service transfer will focus on: (1) the current backlogs in adjudicating benefit and service applications; (2) the degree of coordination between the service bureau and the two enforcement bureaus in the provision of services; and (3) the customer service aspects of benefit and service adjudications. The review also will focus on the progress the Department is making on complying with section 461 of the Homeland Security Act, which requires that the Secretary, by January 24, 2004, (1) establishes an Internet-based system to permit those who have filings with the Department to obtain information about the processing status of those filings, and (2) report to Congress on the feasibility of online filing of immigration benefit applications.

B. Unaccompanied Alien Children. The Subcommittee will examine the treatment of unaccompanied alien children, including whether the Justice Department has transferred an adequate amount of funding and personnel to the Health and Human Services Office of Refugee Resettlement to enable ORR to perform the functions (transferred to it pursuant to the Homeland Security Act) related to the care and placement of such children.

II. Implementation of the USA PATRIOT Act and the Enhanced Border Security and Visa Entry Reform Act

The Subcommittee expects to conduct oversight on implementation of the immigration-related provisions of both the USA-PATRIOT Act (Pub. L. 107-56) and the Enhanced Border Security and Visa Entry Reform Act (Pub. L. 107-173). Regarding the USA-PATRIOT Act, these include the requirement that the INS and the State Department have access to the criminal history record information possessed by the National Crime Information Center's Interstate Identification Index, the new terrorist-related grounds of inadmissibility and the utilization of the power to detain aliens certified as suspected terrorists. Regarding the Enhanced Border Security and Visa Entry Reform Act, these include the requirement that federal law enforcement agencies and the intelligence community provide information to the State Department needed to screen visa applicants and to the INS needed to screen applicants for admission, the establishment of an entry-exit system, and the requirement that U.S. visas be issued with biometric identifiers.

III. National Security Issues

A. Vulnerability of the Immigration System to Manipulation by Terrorists. The Subcommittee expects to conduct oversight on how to make the U.S. less vulnerable to the manipulation of our immigration system by terrorists.

B. NSEERS. The Subcommittee expects to conduct oversight on the National Security Entry Exit Registration System, that requires the registration of adult male foreign nationals from countries that are state sponsors of terrorism or that have an active terrorist infrastructure. The Subcommittee will examine the national security implications of NSEERS and concerns raised about its impact on civil liberties.

C. Border Security on Federal Lands. The Subcommittee will conduct oversight on the security problems in National Parks, National Forests, and other public lands that are situated on the Northern and Southern Borders. The Subcommittee will evaluate options for improving the physical demarcation of the national borders, as an important step in preventing accidental border incursions and improving law enforcement cooperation with Mexico and Canada.

D. Border Security and the Caribbean. The Subcommittee will conduct oversight on the special issues attendant upon the irregular border comprised by the Carribean island nations and U.S., British and French territories in the Gulf of Mexico. Existing visa arrangements and the difficulty of establishing the national identity of travelers in this region will be examined.

E. INS Information Technology. The Subcommittee will conduct oversight on the major information technology systems that manage and control visa authentication and immigration law enforcement, including those now situated within the Department of Homeland Security and those in the Department of State.

IV. Criminal Alien Issues

A. Convention Against Torture. The Subcommittee expects to conduct oversight on the implementation of the Convention Against Torture and its impact on the ability of the U.S. to deport criminal aliens.

B. Cooperation of State and Local Law Enforcement in Identifying Criminal Aliens. The Subcommittee expects to conduct oversight on issues involved with the cooperation of state and local law enforcement agencies with the INS in the identification of criminal aliens.

C. Removal of Aliens. The Subcommittee expects to conduct oversight on the implementation of new procedures to remove criminal and illegal immigrants provided by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and on the effects of the Justice Department's guidelines for the use of prosecutorial discretion in the deportation of criminal immigrants.

D. Detention of Foreign Nationals. The Subcommittee expects to conduct oversight on the federal government's capability to detain criminal and illegal immigrants and to meet the detention requirements of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, and on the condition of alien detention facilities.

E. The Institutional Removal Program. The Subcommittee expects to conduct oversight on the IRP. Under this program, the federal government is supposed to locate criminal aliens serving their sentences in state or federal prisons, then initiate removal proceedings (if the person is deportable), and complete the proceedings prior to the aliens' release from prison so that they can be immediately removed from the U.S. or released into society when the sentence is completed.

F. Use of Classified Evidence. The Subcommittee plans to oversee the use by the Federal government of classified evidence in removal proceedings.

V. Illegal Immigration

A. Mexican Issued Identification Cards. The Subcommittee expects to conduct oversight on the use of Mexican identification documents (called matricula consulars) by illegal aliens to provide identification to federal, state and local officials and banks and other businesses.

B. Illegal Immigration in Arizona. The Subcommittee expects to conduct oversight on the effects on Arizona border residents and property owners of illegal border crossings along the Arizona border.

C. Border Control. The Subcommittee expects to conduct oversight on the situation along our southern border, the success of current border control initiatives such as "Operation Gatekeeper" in San Diego, and the necessity of additional resources.

D. Interior Enforcement. The Subcommittee expects to conduct oversight on the federal government's efforts to find and remove illegal aliens living and working in the interior of the United States, including 1) the employment eligibility verification pilot program, 2) INS' worksite enforcement strategy and 3) "Quick Response Teams."

E. Smuggling of Foreign Nationals. The Subcommittee expects to conduct oversight on recent trends in alien smuggling and methods for the detection, apprehension, prosecution and punishment of smugglers.

F. Expedited Exclusion. The Subcommittee expects to conduct oversight on the implementation of the expedited exclusion provisions of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

G. Identity Fraud and Theft. The Subcommittee expects to conduct oversight on the use by illegal aliens of identity fraud and identity theft and the impact on victims of identity theft.

H. Legalization of Illegal Aliens. The Subcommittee expects to examine the effects of a general legalization of illegal aliens who have lived in the United States for a long time.

VI. Impact of Immigration Policy on the American Economy and Society

A. Effect on American Workers and Employers. The Subcommittee expects to conduct oversight on the impact of low-skilled immigrants on American workers, the workforce needs of U.S. employers in the 21st century, and ways to make the legal immigration system more responsive to these needs.

B. Immigrant Population Growth. The Subcommittee expects to conduct oversight on the impact immigration has had and will continue to have on U.S. population growth, urban sprawl, economic growth, rural development, cultural diversity, neighborhood and community revitalization, the promotion of family values, religious life, and the environment.

C. Assimilation of Immigrants. The Subcommittee expects to conduct oversight on the extent to which lawful immigrants, refugees, asylees, and other newcomers have successfully integrated into and made important contributions to American society. This will include a review of existing public, private, and non-profit programs that seek to assist newcomers integrate into American society and what new efforts the Federal government might undertake to assist lawful newcomers in their efforts to better understand and participate in American civic and cultural life.

D. Dual Nationality. The Subcommittee expects to conduct oversight on the policy implications of the widening acceptance of dual nationality.

VII. Legal Immigration Reform

A. Guestworkers. The Subcommittee expects to conduct oversight on the advisability of creating new guestworker programs, both for agricultural workers and for service industry workers. The oversight will examine the labor needs of American employers, the need for alien labor, and the impact of new guestworker programs on American workers and on the control of illegal immigration.

B. The H-1B Visa Program. The Subcommittee expects to conduct oversight on the H-1B visa program for temporary professional workers. The Subcommittee expects to assess whether the expanded annual quota of H-1B visas should be extended or allowed to expire, and the continuing benefits of the H-1B program to high-tech employers and the program's impact on American high-tech workers in light of the present state of the economy.

C. Legal Immigration Family Equity Act. The Subcommittee expects to conduct oversight on the effects of the LIFE Act included in the Commerce, Justice and State Departments appropriations bill for fiscal year 2001, regarding the 1986

legalization program . The Subcommittee also will examine the family-based immigration system, with a focus on the backlog in priority dates for the family-based immigration preference categories.

D. Trafficking Victims. The Subcommittee expects to conduct oversight on the implementation of the "Trafficking Victims Protection Act of 2000", that creates a new "T" nonimmigrant visa for victims of sex trafficking and slave labor in the United States. Areas for review include: (1) possible fraud and abuse, (2) whether the problems addressed by the Act are greater than expected, (3) whether worthy individuals who attempt to make use of the visa are being served by the Act, (4) whether the threshold age of cooperation is unreasonably low, (5) whether the law provides recipients of visas with adequate opportunity to be assisted by close family members, and (6) whether the number of T visas that the law provides for is adequate to meet the needs of victims and prosecutors.

E. Student Visas. The Subcommittee expects to conduct oversight on the implementation of the foreign student tracking system.

F. Diversity Visas. The Subcommittee will hold hearings on the viability of a State Department proposal requiring diversity visa lottery applicants to apply electronically and the impact such a program would have technologically underdeveloped nations where the availability of computers and compatible telecommunications equipment is severely limited and unreliable.

VIII. Fraud Issues

A. Immigration Benefit Fraud. The Subcommittee expects to conduct oversight on whether the federal government has improved its ability to uncover fraudulent applications and petitions for visas and other immigration benefits. In the past, INS Regional Service Centers and the Labor Department approved family and employment based visa petitions with little examination or investigation of possible fraud and did not personally interviewing the beneficiaries (i.e., to see if a bona fide marriage exists, if the beneficiary is working for the sponsoring employer, or if the person has the requisite work experience).

B. Voting by Aliens. The Subcommittee expects to conduct oversight on improper voting by foreign nationals in the 2002 elections and the utilization of provisions that were contained in the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 making such voting a criminal and deportable offense.

C. Fraud by INS Contractors and Employees. The Subcommittee will examine instances of fraud committed by INS contract workers and employees and the impact such fraud has had on individuals with business before the INS. Instances

of such fraud include the 2003 indictment of two contract workers for destroying over 90,000 backlogged documents at a service center in Southern California. The review will cover the extent to which such fraud has harmed immigrants, such as subjecting such persons to mandatory detention, deportation, denial of benefits, or other adverse actions. The Subcommittee will consider whether immigration laws that impose penalties on immigrants should be modified to take into account such fraud or incompetence.

IX. Welfare/Healthcare Issues

A. New Affidavit of Support. The Subcommittee expects to conduct oversight on enforcement efforts, if any, by the federal government of the new affidavit of support required by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. Sponsors of immigrants now must sign a legally binding affidavit promising to provide for the support of the immigrants until naturalization.

B. Burden on Local Hospitals. The Subcommittee expects to conduct oversight on the burden placed on border area and other hospitals by their duty to provide medical care to illegal aliens without compensation.

X. Refugee and Asylum Programs

A. Refugee Admissions and Adjudications. The Subcommittee expects to examine the process by which the Administration identifies and admits refugees into the United States for resettlement.

B. Access of Women Refugees and Refugee Camp Long-Stayers to Refugee Program. The Subcommittee will examine the populations of refugees who are long-stayers in refugee camps; their access to and qualification for the Refugee Program; the Program's ability to identify and process qualified candidates from these camps; and problems that women refugees have in accessing the Program and the ability of the Program to identify and process qualified women candidates.

C. Impact of Asylum Adjustment and Coercive Family-Planning Caps. The Subcommittee will examine the impact on refugee-seekers, asylum-seekers, and asylees (1) of the annual cap on adjustments of asylum seekers found in section 209(b) of the Immigration and Nationality Act, and (2) of the annual cap on the granting of refugee and asylum status based on coercive family planning practices, found in section 207(a)(5) of the INA.

D. Treatment of Haitian and Cuban Asylum Seekers. The Subcommittee will examine the treatment afforded Haitian and Cuban asylum seekers who are encountered on the high seas, in U.S. territorial waters, or on U.S. soil.

RICHARD POMBO, CHAIRMAN

U.S. House of Representatives
Committee on Resources
Washington, DC 20515

12 February 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with clause 2(d)(1) of House of Representatives Rule X, I enclose a copy of the oversight plan adopted by a quorum of the Committee on Resources today in open session.

Sincerely,

Richard Pombo

RICHARD W. POMBO
Chairman

Enclosure

Committee on Resources

Oversight Plan

Adopted 12 February 2003
Richard W. Pombo, Chairman

108th Congress

Revised 2/11/03

COMMITTEE ON RESOURCES
PROPOSED OVERSIGHT PLAN
108TH CONGRESS

Under House of Representatives Rule X, clause 2, each standing committee of the House has general oversight responsibilities to determine whether laws and programs addressing subjects within its jurisdiction are being implemented in accordance with the intent of Congress and to determine whether they should be continued, curtailed or eliminated. The Committee on Resources has had extensive experience in this area, owing in part to its broad legislative jurisdiction and the dozens of federal agencies and almost 100 major statutes under its purview. During the 107th Congress, the Committee and its subcommittees held 93 oversight hearings. This tradition will continue as the Committee will review the application, administration, and execution of effectiveness of laws and programs addressing subjects within its extensive jurisdiction.

In addition, the Committee expects that a majority of its oversight activities and hearings will take place outside Washington, D.C., to ensure that those who cannot travel to the Nation's Capitol will also have a voice in Committee deliberations and to guarantee Members of the Committee a personal view of real-life situations involving federal programs and other activities under the Committee's jurisdiction.

ENDANGERED SPECIES ACT

The Full Committee will continue to examine the implementation of the Endangered Species Act and the conflicts and inconsistencies of its application to private property and federal activities. Winter/Spring/Summer 2003

NATIVE AMERICAN ISSUES

Budget Overview: The Committee will oversee that portion of the President's budget which relates to Native Americans. This includes programs within the Department of the Interior, the Department of Education and the Department of Health and Human Services. Spring 2003

Indian Gaming: The Committee will continue its ongoing effort to oversee the many gaming-related difficulties which have arisen in the implementation of the 1988 Indian Gaming Regulatory Act. The operation of the National Indian Gaming Commission created pursuant to the Act will also receive Committee attention. Summer 2003/Fall 2003

Mismanagement of Indian Trust Accounts: The Committee will review remedial steps taken by the Department of the Interior relating to the mismanagement of Indian Trust accounts. Funds

which tribes and individual tribal members recover from land or water settlements, treaty provisions, oil or gas leases, hard rock mineral leases, timber sales, and other sources are deposited into trust fund accounts managed by the Office of Trust Fund Management. Hundreds of thousands of these accounts have not been reconciled and are now the subject of litigation between account owners and the Department of the Interior. Fall 2003/Winter 2004

Tribal Recognition/Enrollment/Membership: The Committee will review comprehensive issues relating to the tribal recognition process, tribal enrollment and tribal membership. Spring 2004

Regulation Reform: The Committee will review the need for, and advisability of, reducing and eliminating those federal rules and regulations falling within its jurisdiction which relate to Native Americans. Summer 2003

INSULAR AREAS ISSUES

Budget Overview: The Committee will oversee that portion of the President's budget which relates to the insular areas of the United States, which include 16 United States territories and three freely associated states. The five principal territories are: American Samoa, Guam, the Northern Mariana Islands, Puerto Rico and the United States Virgin Islands. All but the Northern Marianas have representation in the House of Representatives. The three freely associated states are fully self-governing separate republics which emerged from the islands of the former United Nations Trust territory of the Pacific Island, which the United States administered. These are: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. Spring 2003

Regulation Reform: The Committee will review the need for, and advisability of, reducing and eliminating those federal rules and regulations falling within its jurisdiction which relate to the insular areas of the United States. Fall 2003/Winter 2004

Compacts of Free Association: Federal law requires a review and renegotiation at the end of the first 15 years of the Compacts of Free Association with the Marshall Islands and the Federated States of Micronesia of certain economic components. Spring 2003

General Oversight Activities: The Committee expects to review the fundamental issues facing each of the territories and freely associated states: support and development of self-government and self-determination; economic development and self-sufficiency through the private sector; accountability of federal funds; enforcement of federal laws; and management of limited land and water resources. Spring 2003

SUBCOMMITTEE ON NATIONAL PARKS, RECREATION AND PUBLIC LANDS

DEPARTMENT OF THE INTERIOR - NATIONAL PARK SERVICE (NPS)

Wilderness Designation in National Parks: Wilderness area designation within the boundaries of National Park units has recently become a concern. These park units have undergone wilderness surveys in the 1970s but have received no Congressional authorization. Of further interest, there are a number of other National Park units which are currently undergoing proposed wilderness designation, primarily through the general management planning process. These include the Grand Canyon and Isle Royale in Lake Superior. Subcommittee will conduct oversight on the broad wilderness issue within the National Park System and focus on specific wilderness issues in specific parks. Fall 2004

National Park Service Natural Resource Management Policy and Science Program: The NPS science program was abolished and relocated to the U.S. Geological Survey in 1994. The effects of the elimination of the research program place park resources at risk. In recent reports, the General Accounting Office has noted that the NPS has inadequate data on the condition of resources entrusted to its management. More than one-third of threats to park resources have yet to be scientifically evaluated. Insufficient science within NPS may lead directly to policies which threaten the resources which the agency is charged to protect. This situation is of greater concern because Congress has been allocating over $210 million per year to the agency for resource stewardship. As a result of these deficiencies, the 105th Congress passed S.1693, a comprehensive National Parks package which was signed into law November 13, 1998. Title II of this package (National Park System Resource Inventory and Management) called for NPS to enhance management and protection of park resources by providing authority and direction to conduct scientific studies along with a resource inventory and monitoring program. The Subcommittee intends to conduct oversight on the success of this program. In addition, other NPS management policies will also need Subcommittee attention, including memorials and management of the National Mall, heritage area designations, snowmobiles in national parks, budget and financial management, historic preservation fund, restrictions/soundscape management and NPS consideration of "resources preservation" and "visitor enjoyment". Fall 2003/Winter 2004/Spring 2004

National Trails System/Condemnation Authority: There are now over 35,000 miles of federally-designated trails in the country and there has been little consideration given to the long-term consequences of these designations. For example, the federal government has spent about $2 million per mile to acquire the viewshed along the Appalachian Trail. Further, while most of these trails are presented largely as volunteer efforts, there is increasing support within the trail-user community for these trails to be designated as units of the National Park system, and to receive an annual appropriation. The Subcommittee is also interested in the condemnation authority used by NPS to acquire lands along trails, especially the Appalachian Trail. A number of individual condemnations of private property have come to the attention of the Subcommittee which is very concerned in regard to their necessity. The Subcommittee is committed to examine

and understand the long term consequences of the current program, will look at the impacts of expanding the scope of the national trails system, and examine whether condemnation is necessary and appropriate. Winter 2003

New Park Units: Initially composed only of isolated scenic and natural areas, the National Park System has grown to 380 areas containing natural, cultural, and recreational resources across the nation. In 1999, S. 1693 was signed into law which, among other things, established a procedure for NPS to follow in studying areas for potential addition to the National Park System. The new law was to ensure that new areas recommended for addition to the National Park System are appropriate for inclusion in the system and that they include only outstanding examples of the nation's natural, cultural, and recreational resources. This law also directs the Secretary of the Interior to develop annual lists for areas of possible inclusion into the park system. The Secretary will specify these areas in order of priority for addition into the National Park System. Over the course of any particular Congressional session various bills are introduced which create new park units. Adding new areas to the National Park System takes Congressional authorization. The Subcommittee will review the designation process and the implementation of S. 1693. Spring 2004

Air Tour Overflight Regulations: The Subcommittee will continue to review the Federal Aviation Administration's March 28, 2000, rules concerning overflights of national parks, most notably Grand Canyon National Park. These new rules include notification of the air tour routes, expansion of Flight Free Zones, and a limitation on the total number of commercial air tours in the Flight Areas. Implementation of these rules will severely restrict the air tour industry and this form of access (especially important to handicapped individuals) to our public lands will be denied. Summer 2004

Restrictions/Soundscape Management Regulations: The Subcommittee will review the NPS definitions of "soundscape" and "natural quiet", the later defined as "the natural ambient sound conditions found in the park". "Natural quiet" has been used as the basis for severely limiting public access to a number of national parks, while at the same time still allowing snowmobile and personal watercraft use. Fall 2004

Yosemite National Park Issues: The Subcommittee will also focus on particular resource conflicts within Yosemite National Park, including elimination of campsites and transportation. Winter 2003

NPS Facility Safety and Law Enforcement: Following the events of 9/11, security has been beefed up at several landmark national parks and monument. NPS law enforcement personnel have been stretched very thin. The Subcommittee will examine the vulnerability of National Parks System units to terrorist activities and the affects on law enforcement at existing facilities. Fall 2003

NPS Concessions: The Subcommittee will conduct oversight of the 2000 NPS regulations governing concession operations in the National Park System. Fall 2003

DEPARTMENT OF THE INTERIOR - BUREAU OF LAND MANAGEMENT

Land Exchanges/Appraisals: The federal land exchange process often involves numerous individuals from a wide range of perspectives. While a few exchanges proceed smoothly, the process is often inefficient, expensive, time-consuming and contentious. In 1988, Congress passed the Federal Land Exchange Facilitation Act (FLEFA) in an attempt to make land exchanges easier to consummate. While FLEFA solved a few of the problems with land exchanges, several problems persist. Based on earlier hearings focused on land appraisals associated with these exchanges, the Subcommittee discovered that there is often a huge disparity between appraised land values. For example, often a landowner will want to exchange land that contains valuable habitat for an endangered species. Because the land has such a high public interest value, the landowner believes his land is extremely valuable; however when the government appraises his land, it actually lowers the estimated value of the land by saying that endangered species habitat severely curtails a person's ability to develop his land. The Subcommittee intends to continue to conduct oversight over the BLM land exchange process and pursue methods of making the BLM land exchange process easier to complete. Spring 2003

SUBCOMMITTEE ON WATER AND POWER

Budget Overview: The Subcommittee will hold a hearing each year on that portion of the President's budget proposal falling within its jurisdiction. This includes the Bureau of Reclamation of the Department of the Interior, the U.S. Geological Survey/Water Resources Division of the Department of the Interior, and the Power Marketing Administrations of the Department of Energy. March 2003

Water Technology Development: The Subcommittee will hold hearings on various aspects of water technology development that affect federal water management, reclamation activities, and how to assist the states in water resource planning. Summer 2004

DEPARTMENT OF THE INTERIOR - BUREAU OF RECLAMATION

Bureau of Reclamation Project Transfers: The Subcommittee will review the status of the Administration's initiative to transfer Bureau of Reclamation facilities out of federal ownership. Since the Reclamation program began in the early 1900s there has been an expectation that many of the Bureau constructed facilities would ultimately be transferred to the local entities they were built to serve. As an indication of this objective, Reclamation has turned over the operation and maintenance of nearly 400 of the 600 or so projects in the western United States to local beneficiaries. However, steps to begin actual transfer of ownership have been rare. Fall 2003

Oversight of Colorado River Operations/California Water Allocation: The Subcommittee will hold hearings on the operation of the entire Colorado River, and the effect of the recent decision by the Secretary of the Interior to restrict surplus water flows within California. Spring 2003

States Rights in Water Allocation: The Subcommittee will examine federal actions, such as the reallocation of water for endangered fish species, and efforts to establish federal reserved water rights within western states. Summer 2004

California Bay-Delta (CALFED) Funding and Program Management: The Subcommittee will examine the CALFED Program to carry out restoration activities in California's Sacramento-San Joaquin Bay-Delta. The examination will determine what modifications to the CALFED Program are necessary, how to increase water supply yield, and how to provide regulatory certainty to California water users under the Program. Spring 2003

Central Valley Project Improvement Act Implementation: The Subcommittee will continue to review actions taken by federal and state agencies to implement the various provisions of the Central Valley Project (CVP) Improvement Act, which was enacted in 1992. The Subcommittee will review possible legislative proposals to improve the reliability and water quality of CVP water deliveries. Summer 2003.

Rural Water Projects: The Subcommittee will review the status of several rural water proposals relating to water supply management in the Western United States. Fall 2003

Central Arizona Project: The Subcommittee will review the status of the Central Arizona Project (CAP), and the financial and management practices of the Bureau of Reclamation as they relate to the CAP. Fall 2004

Oversight of the Salton Sea: The Subcommittee will continue to monitor proposals that are being developed to restore the Salton Sea. Winter 2003

Safety of Dams: The Bureau of Reclamation has its own standards for safety of dams under its jurisdiction, and does its own safety inspections. Dam safety issues have been raised following the terrorist attacks of 9/11. An oversight hearing may be held to evaluate the public risk throughout the Bureau of Reclamation's inventory of 358 program dams, and the role of the project beneficiaries in the planning of any proposed dam modification. Summer 2004

Indian Water Right Settlements: The Subcommittee will analyze the broad impacts of Indian water rights and articulate the statutory, regulatory, and judicial history of implied federal reserved water rights. Winter 2005

Oversight of Klamath Basin: Conflicts among federal water service contractors, Native Americans and environmental issues have created challenges for the Bureau of Reclamation for managing water deliveries in the Klamath River Basin of Oregon and California. The Subcommittee will continue to examine federal actions related to water deliveries in the Klamath Basin. Fall 2003

DEPARTMENT OF THE INTERIOR - U.S. GEOLOGICAL SURVEY/WATER RESOURCES DIVISION

Program Management within the Water Resources Division of the USGS: The Subcommittee will review the programs within the Water Resources Division to determine if there are areas where better coordination can be encouraged with other state and federal agencies. Winter 2003

Water Treatment Technologies: The Subcommittee will hold hearings on various water treatment technologies currently being developed which will enhance water reclamation and reuse activities, as well as salinity control efforts throughout the United States. Summer 2003

DEPARTMENT OF ENERGY - POWER MARKETING ADMINISTRATIONS

Management of the Federal Power Marketing Administrations (PMAs): The Subcommittee will hold hearings on the management of the PMAs and their role in a restructured electric utility industry. Summer 2003

SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND OCEANS

Budget Review: The Subcommittee will hold an oversight hearing on the President's Fiscal Year 2004 budget recommendations for the U.S. Fish and Wildlife Service (USFWS), the National Marine Fisheries Service (NMFS), and certain "wet" programs of the National Oceanic and Atmospheric Administration (NOAA). Spring 2003

DEPARTMENT OF THE INTERIOR - U.S. FISH AND WILDLIFE SERVICE (USFWS)

Atlantic Striped Bass Conservation Act: This law, which was first enacted in1984, requires that states implement conservation measures that are consistent with interstate fishery management plans adopted by the Atlantic States Marine Fisheries Commission. In the past 18 years, the resurgence of Atlantic striped bass has been a major fishery management success. Congress felt that the best way to ensure that striped bass remain abundant was to continue the regular and comprehensive population assessments and studies financed by the Act. The current authorization expires on September 30, 2003. The Subcommittee will conduct oversight on the implementation of this legislation with an eye towards reauthorization. Spring 2003

Marine Mammal Protection Act (MMPA): The MMPA establishes protections for marine mammals taken incidentally in commercial fishing operations and for marine mammals held in captivity. The last reauthorization was in 1994. The 1994 amendments made several changes to the MMPA, including moving management authority of captive marine mammals from NMFS and USFWS to the Department of Agriculture; allowing the importation of polar bear trophies from Canada; and authorizing the use of take reduction teams. The Subcommittee will examine the effect of these amendments and other marine mammal conservation issues. Fall 2003

National Wildlife Refuge System: This System is comprised of federal lands that have been acquired for the conservation and enhancement of fish and wildlife. Totaling about 93 million acres, the System provides habitat for hundreds of fish and wildlife species, including more than 165 species listed as threatened or endangered under the Endangered Species Act. At present, the System is comprised of 540 refuges, which are located in all 50 states and the five territories. During the 105th Congress, the landmark National Wildlife Refuge System Improvement Act of 1997 was enacted. This Act established for the first time an organic statute for our Refuge System, and it will ensure the wise use of those lands in the future. The Subcommittee intends to review the implementation of this law and to determine the status of efforts to complete a comprehensive conservation plan for each refuge. Spring2003/Summer 2003

Sikes Act Reauthorization: The Subcommittee will examine issues relating to the authorization of the Sikes Act, which governs wildlife management on military lands. Fall 2004

Maintenance Backlog in the National Wildlife Refuge System: During the previous four Congresses, the Subcommittee conducted oversight hearings on the maintenance backlog issue affecting our National Wildlife Refuge System. Based on those hearings, the Subcommittee learned that the backlog had risen to more than $600 million at visitors centers, picnic pavilions,

observation towers, public use buildings, roads, bridges, dams, canals, and other water management structures. In an effort to reduce the backlog, the leadership of the Resources Committee, working with House and Senate appropriators, was able to make a significant down payment on the backlog. The Subcommittee intends to conduct additional oversight hearings on ways to further reduce the backlog so that the System can be revitalized for the American people for the 100th birthday of the National Wildlife Refuge System in 2003. Winter 2003

Southern Sea Otter/Fisheries Conflict: The Department of the Interior listed the Southern sea otter as endangered under the Endangered Species Act. At the time of listing, the USFWS proposed the establishment of an experimental population that would be moved from its normal range to protect the population from any potential oil spill. The experimental population was intended to be kept within an area designated as "the management zone" and animals which left this zone were to be captured and moved back to this zone. This experimental population has now caused conflicts with some commercial fisheries because animals have left the management zone and USFWS has not followed through on its commitments to recapture these animals. The commercial fishing community has brought suit against the USFWS and the Subcommittee has been asked to investigate whether USFWS has followed through on its statutory commitments. Spring 2004

Coral Reef Fisheries Management: The Department of the Interior has designated National Wildlife Refuges in state and federal waters and has pushed to get management authority over these areas. The Department of Commerce currently has management authority under the Magnuson-Stevens Fishery Conservation and Management Act. The Subcommittee will examine the conflict created by these two dueling authorities in the protection of coral reef fisheries. Summer 2003

Cormorant Population Explosion: Since 1990, the cormorant nesting population on the Great Lakes has increased to more than 93,000 pairs. Cormorants are now more numerous on the Great Lakes than at any time in recorded history. These birds are having a negative impact on aquaculture facilities and Great Lakes fisheries. Legislation was introduced in the 107th Congress to establish a hunting season on cormorants. On March 4, 1998, USFWS issued a final rule establishing a depredation order for double-crested cormorants. Since that time, USFWS has initiated a review of their policy as to its effectiveness in reducing the population of this species. A nationwide management plan is expected to be issued shortly. Summer 2003

Concession Properties in the National Wildlife Refuge System: The Secretary of the Interior oversees certain buildings at various National Wildlife Refuge units that are rented by concessionaires that provide services to refuge visitors. These buildings are in a state of disrepair and neither the USFWS nor the concessionaire has the authority to remedy this situation. The Subcommittee will conduct hearings to determine the best method of addressing this situation. Winter 2003

Nonindigenous Species: The recent report on the influx of nonindigenous species in ballast water has highlighted the problem of non-native species competing with native species for food and habitat. These invasive species, in some cases introduced intentionally, are causing problems to commercial fisheries, causing native species to decline, and are affecting businesses

which rely on clean water intake. Some examples of invasive species include: the round goby, zebra mussels, the European green crab, the Asian eel, etc. In addition, USFWS has attempted to eliminate non-native species causing two problems. One is that it has had problems targeting only the non-native species (trout in Yellowstone Park) and the second is that it has attempted to eliminate species that have been used for sport fisheries for decades (striped bass on the West Coast). In addition, the policies and activities of the USFWS and the National Park Service under the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 and the National Invasive Species Act of 1996 could also be examined. Fall 2003/Winter 2004

DEPARTMENT OF THE INTERIOR - MINERALS MANAGEMENT SERVICE

Rigs to Reef Program: The Subcommittee will examine the operation and the opportunities for increased utilization of the Rigs to Reef Program where abandoned or decommissioned offshore oil rigs are positioned for use as reef material. Winter 2005

DEPARTMENT OF COMMERCE - NATIONAL MARINE FISHERIES SERVICE (NMFS)

Steller Sea Lion Protection Measures: There are two stocks of Steller sea lions residing in Alaska that have been listed as endangered or threatened under the Endangered Species Act. The population that has been listed as endangered is along the Aleutian chain. The National Marine Fisheries Service (NMFS) has taken management measures to protect the species and allow commercial fisheries to continue. Environmentalists have taken NMFS to court over the management of Stellers, asking for an injunction against fishing and that injunction has now been lifted. The FY 2001 omnibus appropriations bill contained language which will affect the management of the Stellers and the related fisheries. In addition, the Subcommittee may conduct oversight on the changes to the biological opinion related to the Steller sea lion court case. A recent National Academy of Sciences report has backed the fishermen in this dispute. Spring 2004

Aquaculture: A number of aquaculture-related issues have arisen which the Subcommittee may want to look into. NMFS has floated a draft bill to amend the National Aquaculture Act to promote "sound" aquaculture policy. Finally, escaped Atlantic salmon being raised for aquaculture in Washington State and British Columbia have begun spawning in Alaskan waters. This raises a number of issues such as the effect of escaped Atlantic salmon on native Pacific salmon stocks, the effects on habitat, and the effects on the commercial salmon industry. Summer 2003

NMFS Lawsuits: NMFS is overwhelmed by lawsuits (more than 100 active cases) and is not conducting necessary research and other management activities due to these lawsuits. The Subcommittee will examine this issue, especially in the context of the budget request for the agency. Winter 2003

U.S./Russia Polar Bear Treaty Implementation: The U.S. and Russia signed the agreement in October, 2000. The Treaty will need to be ratified by Congress. The Subcommittee will hold

oversight hearings to determine the effect on existing law and what type of implementing legislation would be appropriate. Winter 2003

Gulf of Mexico Red Snapper Fishery Management Oversight: The Gulf of Mexico red snapper fishery management has been consistently under fire. The current allocation formula splits the total allowable catch among three user groups: commercial fishermen targeting red snapper, recreational fishermen targeting red snapper, and commercial fishermen who catch red snapper as bycatch in the directed shrimp fishery. There has been debate over the stock assessments, rebuilding schedules, and allocations for years, and independent reviews of NMFS' work have been Congressionally ordered. This fishery has also been identified as one which could be better managed under some type of individual fishery quota system. Spring 2004

DEPARTMENT OF COMMERCE - NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA)

National Marine Sanctuaries Program Reauthorization: The Subcommittee will examine issues relating to the implementation of the 1972 National Marine Sanctuaries Act including resource conflicts, funding levels, preparation and implementation of long-term management plans. The Act's authorization for appropriations expires in 2005. Fall 2004

SUBCOMMITTEE ON ENERGY AND MINERALS

Budget Oversight: The Subcommittee oversees four Interior Department agencies and programs in one other: U.S. Geological Survey (USGS), Office of Surface Mining (OSM), Minerals Management Service (MMS), Bureau of Land Management (BLM), and the minerals and geology program of the Forest Service (USDA). The Subcommittee will examine these agencies' programs for streamlining, privatization opportunities, contracting out work, and otherwise streamlining research programs. Particular attention will be paid to proposed funding of traditional earth sciences programs versus biological studies to be performed by the new Biological Research Division. Winter 2003

DEPARTMENT OF THE INTERIOR - ENERGY AND MINING ISSUES

SMCRA Title IV Reform: Under the abandoned mined land reclamation provisions of the Surface Mining Control and Reclamation Act of 1977 (SMCRA), a reclamation fee is levied on every ton of coal mined in the nation, irrespective of the ownership of the coal rights, to replenish an abandoned mine lands (AML) trust fund for the restoration of pre-1977 abandoned coal mines. Fee collection authority is set to expire in 2004, but an enormous inventory of remaining priority projects remain, especially in Appalachian states. Furthermore, Congress has deemed that a portion of the interest generated by the fund is to be used to pay premiums of certain retired coal miners and their spouses who were guaranteed lifetime healthcare benefits in nationwide coal wage agreements signed from 1950 and later. Reform of SMCRA is necessary to achieve the reclamation goals envisioned by Congress as well as keeping the healthcare guarantee to retirees. Furthermore, the states with coal production were assured that not less than half of the AML fees collected from mines within their borders would be returned to that state for AML programs, yet over three-fourths of a billion dollars assigned to the 23 states and tribes with modern production remains in the Treasury unappropriated to these states. AML fund interest is not assigned to the "state share" balance; therefore the states are penalized by the lack of full appropriations because the dollars returned in reclamation grants are worth far less decades after the funds should have been returned. Spring 2003

Hardrock Mining Exploration and Development on the Public Lands: The Subcommittee plans oversight of the surface management regulations (43 CFR 3809) governing "hardrock" mineral development on the BLM-administered public lands. BLM published these major new rules on November 21, 2000. Several lawsuits have already been filed challenging the regulations. This oversight will be coordinated with legislative plans to propose reasonable reforms of the general mining laws governing disposition of so-called locatable minerals (metals and some non-metals) via mining claim-staking. The Subcommittee may also examine the rationale for withdrawals of large areas of public land from the operation of the mining law under the Federal Lands Policy Management Act (FLPMA). The Secretary of the Interior has effectively unlimited authority to withdraw lands without the Congressional approval contemplated in the original provisions of FLPMA. Summer 2004

Coalbed Methane Extraction Versus Coal Mine Development: The Subcommittee may hold an oversight field hearing on issues surrounding the conflict between owners of the right to extract methane gas from coal seams versus lessees of the United States' coal interests where such rights

are held separately, primarily on public lands in several western U.S. basins. Technological advances over the last decade has fueled a boom in the coalbed methane industry which the Department of the Interior has not fully appreciated nor addressed when awarding coal leases and/or oil and gas leases in certain situations. Conflicts have arisen in the proposed mining plans of the coal miners confronted with coalbed methane rights holders which is imperiling logical and timely development of both resources. Spring 2003

Oil and Gas Resource Assessments/Energy Policy: The Energy Policy Act of 2000 requires the Secretary of the Interior to coordinate with the Secretary of Energy and report to Congress on an inventory of estimated undiscovered oil and gas resources beneath public lands (including the outer continental shelf) together with an assessment of access restrictions for leasing and/or production, so that better informed land management decisions may be made. The U.S. Geological Survey's assessment of oil reserves beneath the Arctic National Wildlife Refuge serves as an example of the objective scientific estimation of undiscovered oil and gas resources contemplated for the public lands. Oversight of the progress of such efforts, together with examples of current mismanagement driving the need for the inventory, is contemplated. Fall 2003

Royalty-In-Kind/Valuation of Oil and Gas for Royalty Purposes: The Subcommittee will pursue oversight of the Minerals Management Service's (MMS) ability to collect oil and gas royalties "in-kind" as opposed to the cash value as is currently paid. Procedures associated with collecting the government's share of revenue from production on federal leases are complex and could be simplified if MMS were to take royalty in-kind (R-I-K). Using the R-I-K collection method would eliminate the controversial "valuation" issues surrounding the complicated oil and gas production and transportation systems, and for which Congress has twice barred MMS from finalizing a proposed valuation rule because of concerns that it would create an enormous uncertainty for lessees associated with shifting valuation far downstream from the wellhead. MMS is now conducting pilot R-I-K programs for crude oil in Wyoming and natural gas from the Section 8(g) Outer Continental Shelf leases off Texas as a follow-up to its 1995 natural gas pilot project in the Gulf of Mexico. The Subcommittee will oversee the MMS' handling of these programs and may hold a hearing on valuing oil and gas at the lease for royalty purposes in situations where no arm's-length sale occurs at the wellhead. It is this situation where much controversy exists in MMS' past and current rules. Summer 2003

Claim Maintenance Fees: By appropriation act riders, Congress has for the last eight years required mining claimants to pay a "claim maintenance fee" to the BLM instead of the statutory-mandated annual assessment work to develop the mineral deposit claimed. Miners holding ten or fewer claims may perform labor instead, but all others must pay $100 per claim site per year or the claim or site is invalid. Since the advent of this fee (which is dedicated to BLM's administration of the Mining Law), mining exploration expenditures have diminished dramatically. The fees when first collected totaled approximately $35 million per year, but in 2000 less than $25 million was collected. Of this amount, BLM appears to have misspent 5 percent for programs totally unrelated to mining law administration, according to interim result of a General Accounting Office study. Summer 2003

Surety Bonds for Resource Projects on Federal Lands: The Subcommittee will examine the availability of surety bonds for mineral extractions on public lands. Fall 2003

SUBCOMMITTEE ON FORESTS AND FOREST HEALTH

Budget Overview: The Subcommittee will oversee that portion of the President's budget which relates to national forest lands. Winter 2003

U.S. DEPARTMENT OF AGRICULTURE - U.S. FOREST SERVICE

Healthy Forests Initiative: In the wake of one of the largest and most destructive fire seasons in the last half-century, last summer President George W. Bush unveiled the Healthy Forests Initiative aimed at streamlining the statutory and regulatory obstacles that have slowed or totally prevented the implementation of hazardous fuels reduction projects on high risk landscapes. The Initiative would streamline certain analysis procedures, repeal an Appropriation Act rider that creates a conflict-ridden appeals process for Forest Service thinning projects, require land managers and the courts to balance the consequences of inaction when considering environmental effects of a proposed project, and give the U.S. Forest Service and Bureau of Land Management the authority to enter into long-term stewardship contracts with private entities who perform services advantageous to land managers and the public. Intense bipartisan negotiations in both the House and Senate on variations of the President's Initiative ensued into the fall, but legislation was not enacted. In the absence of Congressional action, the White House issued a series of new regulations and administrative guidelines in December 2002 intended to advance the purposes of the Healthy Forests Initiative within the confines of existing laws. The Subcommittee will conduct oversight over these new administrative procedures, while continuing to review opportunities to loosen the procedural constraints on land managers grappling with the wildfire crisis. Spring 2003

Roadless Area Management Regulations: In the waning hours of the Clinton Administration, the U.S. Forest Service issued new regulations that set aside nearly 60 million acres of National Forest System lands (nearly one-third of the entire National Forest System) from most forms of access, use, enjoyment and management. The regulations are known informally as the Roadless Area Rule. Shortly thereafter, an Idaho federal court enjoined the Rule for its failure to satisfy the public participation requirements of the National Environmental Policy Act. A three-judge panel of the 9th Circuit Court of Appeals overturned that decision in late 2002. Appeals of that decision are expected, even as additional challenges in other federal venues challenging the validity of the rule are pending. With the pace of legal maneuvering quickening, additional activity on the roadless issue – either on the administrative or legislative side -- is expected during the 108th Congress. Summer 2003

Wildfire Prevention and Suppression: Decades of successful fire prevention and implementation of misinformed policies have resulted in over one quarter, or over 50 million acres, of our national forests becoming "tinder boxes," as described by the General Accounting Office (GAO). In 1999, the GAO also reported that the Forest Service had no cohesive strategy for dealing with this most serious threat to the sustainability of our national forests. In response to the GAO, and as a result of Congressional oversight, the Forest Service produced the document, "Protecting People and Sustaining Resources in Fire-Adapted Ecosystems: A Cohesive Strategy." This document was ultimately edited and released by the Administration on October 13, 2000, to

become the Administration's policy direction on this issue. Concurrently, Congress, through the FY 2001 Interior Appropriations Bill, added $1.8 billion to wildland fire programs, specifically for burned-area rehabilitation, fire fighting preparedness, and hazardous fuels reduction activities. With this money went instructions for reporting and accountability on how the money is spent, mandatory implementation of the Cohesive Strategy requirements for fuels management, a requirement for federal agencies to determine and notify communities at risk of catastrophic fire, and requirements for involving states and communities in the development and implementation of strategies for fuel reduction in the wildland/urban interface. Congressional oversight is needed to ensure the funding is used in a manner consistent with congressional intent and to ensure accomplishment of the fuel reduction strategy. Summer 2003

Forest Health: Insect and disease problems plague nearly 60 million acres of forest land nationwide, potentially causing irreversible damage to entire watersheds and even regions. From spruce beetle infestations in Alaska to a renewed attack from the southern pine beetle in the Southeast, from Asian long-horned beetle activity in the Northeast to widespread hardwood decline in the Southern Appalachians and the disruption of historic fire regimes in the Inland West, serious problems abound that cannot be addressed by inaction. Research programs must be continued and, in some cases, expanded, while application of forest health treatments must be greatly accelerated. Continued oversight will be necessary to ensure agency progress on these issues. Fall 2003

Forest Planning Rules and Land Management Decisions: The National Forest Management Act requires the development, periodic revision and amendment of the planning documents that govern the Nation's 155 national forests and 20 grasslands. Existing plans for these lands were developed under regulations adopted in 1982. There are currently 39 revisions and numerous amendments underway pursuant to the 1982 regulations. In 2000, under the Clinton Administration, new planning regulations were drafted, but the U.S. Forest Service halted implementation, as agency officials feared they could not be effectively implemented due to their cost and complexity. In November 2002, the Forest Service released a new planning rule, which is currently out for public comment. The proposed planning rule retains the basic principles from the 2000 rule, which emphasizes meaningful public involvement, sustainability, use of science, and monitoring and evaluation. In addition, the proposal provides forest managers with more flexibility to tailor analyses to the specific characteristics and challenges presented by their forests and grasslands. It also eliminates certain procedural requirements and redundancies in the planning process, which could allow plans to be completed in one-third of the time it takes to complete a plan under the 1982 regulations. A comprehensive study of the costs of land and resource management planning prepared by the Forest Service predicts the proposed 2003 planning rule will save roughly 30 percent from the 2000 rule. The Subcommittee will thoroughly review the proposed land and resource management planning rule. Spring 2003

Forest Service Accountability: Fiscal Year 2002 marks the first time that the U.S. Forest Service received a clean audit from the Office of Inspector General. However, the General Accounting Office (GAO) still ranks the U.S. Forest Service high on its list of agencies at high risk of waste, fraud and abuse. Additionally, measuring performance of the agency's program activities has been problematic. The Subcommittee with the assistance of the GAO will focus on the

longstanding problem and progress made in addressing both financial management and performance measures of the agency. Summer 2003

Research: Research funding has been inadequate in certain areas to accommodate necessary future actions by the Forest Service. In particular, research should be enhanced in the following areas: Forest Inventory and Analysis, forest fires (including smoke modeling and risk reduction), and invasive species. The Subcommittee will conduct oversight hearings on methods to improve this program. Fall 2003

Forest Service Management of Proprietary Information: The Forest Service has been sued for two incidents in which the Forest Service released, under a Freedom of Information Act request, personal and proprietary information. This information may have been inappropriately released to outside parties. The Subcommittee needs to continue its oversight of the Forest Service's maintenance and release of any proprietary information to ensure that the agency is in full compliance with the law. Summer 2004

Appeals Reform: The Forest Service is the only land management agency that has an administrative appeals process enshrined in statute for all project level activities – the Appeals Reform Act (ARA). The Chief of the Forest Service and others have said that ARA is a flawed procedure that places a premium on conflict rather than up-front participation and collaboration. The ARA should be reviewed and new procedures developed to reform this cumbersome process, making public involvement more effective and improving agency decision-making. Fall 2003

Access for Recreation and to Private Property: As recreation on national forests has become increasingly important to the American public, Congressional oversight is needed to ensure that all interested groups and organizations are allowed input and given proper recourse concerning application of any new recreation policies. Fall 2003

County Payments: The "Secure Rural Schools and Community Self-Determination Act of 2000," has unprecedented provisions allowing for community involvement on Bureau of Land Management and Forest Service lands. It will be essential for Congress to work to insure the effective implementation of this law. Summer 2004

Aviation Safety in Wildfire Suppression: After a series of fixed-wing crashes used for fire suppression during the 2002 wildland fire season, the U.S. Forest Service and the Bureau of Land Management empaneled a special blue ribbon commission to review the safety of Forest Service and Department of the Interior aviation assets used for wildfire suppression. The commission's report, released in December 2002, was scathing in its indictment of the safety of these airplanes and other airborne suppression assets, asserting that "the safety record of fixed-wing aircraft and helicopters used in wildland fire management is unacceptable." In the wake of this report, the Chief of the Forest Service and the Director of the Bureau of Land Management announced that they would ground two specific classes of planes deemed by the commission to be particularly unsafe. While the commission was starkly critical of the state of the Forest Service's aviation fleet, no specific recommendations were made, and many questions remain unanswered.

Importantly, what is the federal government's long-term vision for upgrading a wildfire suppression fleet that is in most cases many decades old? The Subcommittee will work with the Forest Service and other wildfire suppression agencies to ensure that this long-term plan is being formulated in an expeditious and reasoned manner. Spring 2003

Fire Suppression Funding: The Forest Service and other fire suppression agencies have experienced chronic funding shortfalls in fire suppression budgets. In Fiscal Year 2002, these agencies were forced to borrow in excess of $1 billion from other program areas to offset massive overruns in fire suppression expenditures. A similar situation occurred in the previous fiscal year. These borrowing activities have had a substantial adverse affect on a broad range of other program areas in the Forest Service, as the agency has been forced to borrow out of everything from recreational programs to the hazardous fuels reduction program. With drought and forest fuel conditions pointing to the continued occurrence of large-scale wildfire seasons, concrete steps need to be taken to end this borrowing cycle that threatens to unwittingly transform the Forest Service into a firefighting agency rather than a land management agency. The Subcommittee will conduct oversight and work with the Appropriations Committee and the agencies in looking at the range of options for addressing this operational challenge. Summer 2003

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February 13, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Davis:

In accordance with clause 2(d)(1) of rule X of the Rules of the House, please find enclosed a copy of the Oversight Plan for the Committee on Rules for the 108th Congress, as adopted by the Committee by voice vote on February, 12, 2003. As requested, an electronic version has been emailed to Randy Kaplan with your staff.

Please feel free to contact me if you have any questions.

Sincerely,

David Dreier
Chairman

Enclosure

OVERSIGHT PLAN OF THE HOUSE COMMITTEE ON RULES FOR THE 108TH CONGRESS ADOPTED FEBRUARY 12, 2003

Committee Action: Pursuant to clause 2(d) of House Rule X, the Committee on Rules met in public session on February 12, 2003, and, with a quorum present, by a non-record vote, adopted the following oversight plan for the 108th Congress for submission to the Committee on House Administration and the Committee on Government Reform.

Background

The Committee on Rules has existed as part of the House committee structure since the First Congress, when it was established in 1789 as a select committee. The essential portion of the present jurisdiction of the Committee is set forth in clause 1(m) of rule X, which grants the Committee jurisdiction over rules and joint rules (other than those relating to the Code of Conduct), the order of business of the House, and recesses and final adjournments of Congress. Clause 3(i) of rule X assigns to the Rules Committee special oversight responsibility over the congressional budget process.

Major portions of the Congressional Budget Act of 1974 were enacted as an exercise of the rule making power of the House and Senate. Therefore, proposals to amend that Act, as well as special orders waiving provisions of that Act, are within the jurisdiction of the Committee. Propositions to change the rules of the House, to create committees, and to direct committees to undertake certain investigations also fall within the Committees jurisdiction. The Committee also has general jurisdiction over statutory provisions changing the procedures of the House for consideration of resolutions or bills disapproving or approving proposed action by the executive branch or by other governmental authorities.

The Committee on Rules has been at the forefront of efforts to reform the process and procedures of the House to improve the effectiveness of the institution. The Committee considered and reported the Congressional Budget Act of 1974, which created the congressional budget process and a mechanism for disapproving or approving impoundment and rescission proposals of the President. The Committee also reported the Legislative Reorganization Act of 1970, which made major changes in the rules of the House.

Additionally, in recent years, the Committee has played the lead role in putting forth substantive changes to the rules of the House that occur at the beginning of each Congress. Such changes include streamlining the committee system, making Congress compliant with anti-discrimination and workplace safety laws, opening committee meetings to the public and press, modernizing the rules of the House to make them more understandable, and consolidating the number of standing rules from 51 to 28.

Some of the positive rules changes that were adopted on the opening day of the 108th Congress include: incorporating new rules providing for the continuity of Congress in the event

of an imminent threat or attack on Congress; codifying rules governing the operating procedure of the Committee on Standards of Official Conduct; requiring new and additional cost estimates for revenue measures based on macroeconomic analysis by the Joint Committee on Taxation; permitting the joint referral of measures under exceptional circumstances; clarifying the privilege and order of a motion to adjourn during a call of the House; expanding the Speaker's authority to reduce the minimum time for electronic voting following a fifteen-minute vote to include all succeeding votes provided no other business intervenes and notice of possible five-minute voting is given; prohibiting on limitation amendments to appropriations measures which seek to limit funds for the administration of taxes and tariffs; and ensuring the ethical accountability of staff by providing that the value of perishable food sent as a gift to an office shall be allocated among the individual recipients. In addition, the 108th rules package included the creation of the Select Committee on Homeland Security with both legislative and oversight responsibilities. This is in recognition of the new threats and challenges facing the U.S. and the new Department of Homeland Security.

During the 108th Congress, the Rules Committee will continue to work proactively on its legislative and oversight responsibilities, using its two subcommittees -- the Subcommittee on Legislative and Budget Process and the Subcommittee on Technology and the House -- extensively in this effort.

Budget Process Reform & Enforcement

The Rules Committee has worked for several years to improve the cumbersome and antiquated congressional budget process. Among the chief criticisms of the existing budget process are its frequent failure to produce timely budget and appropriations decisions, its complexity, the lack of accountability for the fiscal decisions it fosters, the low level of public confidence it inspires and the weakness of existing enforcement mechanisms. According to the General Accounting Office (GAO), executive branch agencies find the budget process to be burdensome and time-consuming, and Members of Congress find it too lengthy with too many votes on authorizations, budget resolutions, reconciliation, appropriations, and emergency supplementals. The budget process reached a new low during the 107th Congress with the Senate failing to approve a concurrent resolution on the budget and the Congress failing to enact eleven of the thirteen appropriations bills by the close of the 107th Congress.

The effort to reform the existing congressional budget process is certainly not new. Since the inception of the Congressional Budget Act of 1974, proposals for modifying the procedures governing the consideration by the Congress of the nation's spending and revenue plans have been plentiful. In previous Congresses, modifications to the budget process have generally occurred as part of reconciliation legislation, or as changes to House rules on the opening day of a new Congress. Additionally, the House has from time to time considered high profile single-issue changes to the process, most notably in recent years were the Line Item Veto Act, the Unfunded Mandates Reform Act, the Deficit Reduction Lock-Box Act, and proposals to enact an automatic continuing resolution mechanism.

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Another key aspect of budget process reform that the Rules Committee will review this Congress is budget enforcement. Budget enforcement procedures were first adopted as part of the Balanced Budget and Emergency Deficit Control Act of 1985 (also known as Gramm-Rudman-Hollings). As amended by the Budget Enforcement Act of 1990, the Act provides two separate enforcement mechanisms: spending caps, designed to limit discretionary spending to a designated level; and the PAYGO process, designed to limit changes in the level of revenues and direct spending by new legislation. In both cases, the mechanism is enforced during congressional consideration of budgetary legislation and by a presidential sequester order after the end of a congressional session. Both of these mechanisms expired at the end of fiscal year 2002. Although PAYGO will not be applied to new legislation, the enforcement process is scheduled to remain in effect through September 30, 2006 to capture the outyear budgetary effects of legislation enacted before October 1, 2002. In the 108th Congress, the Rules Committee intends to review the success of these processes and assess what other mechanisms will be needed to ensure fiscal discipline in the future.

Biennial Budgeting

While the Rules Committee's work has focused on a host of budget process reforms, much attention has been concentrated on biennial budgeting as a viable alternative to the current system. The current budget process is overly repetitive, inefficient and bureaucratic, filled with time-consuming budget votes, and routinely fails to produce timely budget and appropriations decisions. Effective oversight and management of federal programs get crowded out.

The annual process of developing budgets and justifications has kept federal agencies on a perpetual budget cycle treadmill, leaving little time to step back and review the management and effectiveness of the programs they run. Executing an annual budget requires nearly three years of combined effort by the Congress and the Administration. The federal government expends an enormous amount of effort to prepare, review, submit and ultimately legislate the budget.

With regard to the competition for Members' time and attention, as well as floor time, the annual budget process places great constraints on the workings of Congress and its committees. As a result, the authorization process has suffered -- leaving large portions of the discretionary federal budget unauthorized each year. The programs which receive taxpayers' dollars to function each year are not receiving the careful scrutiny they should get from the committees in Congress with the greatest expertise. Every year the Congressional Budget Office (CBO) generates a thick report identifying the programs that are operating without current authorization. In fiscal year 2002, $91 billion in appropriations were provided for 131 federal programs whose authorizations had expired.

Proponents of biennial budgeting cite these trends and facts as overwhelming arguments in favor of making a fundamental change in the way the federal budget is developed and implemented. During the 107th Congress, three biennial budgeting bills were introduced in the House of Representatives. Each of these bills was referred to the Committee on Rules and the Committee on the Budget.

In addition, 245 Members cosponsored a sense of the House resolution (H.Res. 396) calling for the enactment of a biennial budget process in the second session of the 106th

Congress. Accordingly, the Committee held a series of lengthy hearings to examine proposals from various Members of Congress, the Executive Branch, and outside experts on establishing a two-year budget and appropriations cycle in an effort to develop consensus legislation that would streamline the budget process, enhance programmatic oversight, strengthen the management of government programs and bureaucracies, and reform Congress.

These hearings laid the groundwork for a bipartisan biennial budgeting amendment during floor consideration of H.R. 853, the Comprehensive Budget Process Reform Act. This amendment was narrowly defeated on May 16, 2000, by a record vote of 201 to 217.

President George W. Bush, while Governor of Texas, experienced the benefits of biennial budgeting and made it part of his election platform as a tool to promote long-range planning and increase off-year oversight. He has included biennial budgeting, along with other budget process reform proposals in his fiscal year 2002, 2003 and 2004 budget submissions to Congress.

During the 107th Congress, the Subcommittee on Legislative and Budget Process held a hearing on H.R. 981, the Budget Responsibility and Efficiency Act of 2001, and other proposals to establish a two-year budget and appropriations cycle. On August 3, 2001, the Budget Committee reported a substitute version of H.R. 981 by voice vote. The Budget Committee's version would have created a Commission on Federal Budget concepts to study the idea of biennial budgeting, among other items. On November 1, 2001, the Rules Committee favorably reported by voice vote H.R. 981, which would have established a two-year budgeting and appropriations cycle. H.R. 981 was not considered by the full House prior to the adjournment of the 107th Congress.

The Committee intends to work closely with the Administration and the Budget Committee to reform the budget process. The Committee intends to hold further hearings on biennial budgeting and may review and mark up legislation implementing part or all of a biennial budget process. The Committee's legislative efforts may combine biennial budgeting with other budget process reforms, or consider biennial budgeting as a stand-alone proposal.

Government Performance and Results Act

When the Government Performance and Results Act (GPRA) (P.L. 103-62) was enacted in 1993, it required the federal government to develop measurable performance goals for its departments in the hopes that the measurement of program success would no longer be inputs and funding but rather results-oriented goals and data.

In the 106th Congress, the Rules Committee recognized that the success of agency compliance with GPRA depended heavily on the ability of committees to define congressional intent with respect to the missions and goals of agencies and programs, particularly those subject to overlapping committee jurisdictions. Therefore, the House adopted, as part of the opening day rules package for the 107th Congress, a new requirement that committee reports include a statement of general performance goals and objectives, including outcome-related goals and objectives, for which the measure authorizes funding. This requirement was maintained in the rules adopted for the 108th Congress. Performance goal statements should: (1) describe goals in an objective, quantifiable, and measurable form; (2) describe the resources required to meet the

goals; (3) establish performance indicators to measure outputs or outcomes; and (4) provide a basis for comparing actual program results with performance goals.

During the 108th Congress, the Committee will continue to review GPRA and evaluate to what extent the new rule was successful in assisting agencies in obtaining a better understanding of congressional intent. The Committee intends to do so by thoroughly examining reported legislation containing authorizations, as well as legislation enacted in the 107th and implemented by federal agencies. This examination will help to ensure that the performance goals and objective statements sufficiently address the four criteria cited above and assess whether those criteria assisted implementing agencies.

Dynamic Scoring

As part of the opening day rules package adopted for the 108th Congress, the House adopted a new requirement that the Committee on Ways and Means include in reports on measures amending the Internal Revenue Code of 1986 an analysis by the Joint Tax Committee on the macroeconomic (behavioral) impact of such legislation. This requirement is limited, as the committee is not required to include such analysis if the Joint Tax Committee certifies that such analysis is not calculable.

Because of the great influence that estimates of revenue and spending changes have over whether a proposal is adopted, current federal estimating conventions that are used to determine the budgetary impacts of proposed policy changes have been under scrutiny. In the 107th Congress, the Rules Subcommittee on Legislative and Budget Process held a hearing on the estimating conventions as currently applied by the Congressional Budget Office (CBO) and the Office of Management and Budget (OMB). This hearing demonstrated that while current estimating models take into account a number of behavioral reactions to tax and spending changes, these models are limited in their inclusion of feedback effects.

During the 108th Congress, the Committee will continue to investigate the issues and the changes, if any, that need to be made to ensure more accurate revenue and expenditure forecasting by further evaluating current estimating models. As part of its oversight function, the Committee intends to review the dynamic scoring analyses included in tax proposals reported under this new rule (Rule XIII, clause 3(h)).

Freedom to Manage Act

In his August 25, 2001, weekly radio address to the nation, President Bush announced the release of The President's Management Agenda, a report identifying 14 management problems in the federal government and offering specific solutions to address them. The report urged "rethinking government," called for a reduction of middle management, and championed "market-based" administration that emphasizes positive performance and results.

According to the report, the need to reform government programs and agencies is urgent. The General Accounting Office (GAO) "high-risk" list identifies areas throughout federal government that are most vulnerable to fraud, waste, and abuse. Ten years ago, the GAO listed eight such areas. Today it lists 22. New programs are frequently created with little review or assessment of the already-existing programs to address the same perceived problem. Over time,

numerous programs with overlapping missions and competing agendas grow alongside one another, wasting money and resources.

Legislative proposals in support of the report include the Freedom to Manage Act. The President put forward this proposal as the first step for reforming the government. During the 107th Congress, the Committee held a hearing on the Freedom to Manage Act. During the 108th Congress, the Committee will continue to review this important reform initiative through additional hearings to evaluate the potential improvement of government administration and the effects on Congressional oversight and will initiate further legislative activities as deemed needed.

The Unfunded Mandates Reform Act of 1996

In the 104th Congress, the 1996 Unfunded Mandates Reform Act (UMRA) was enacted. Among a number of provisions designed to reduce, or eliminate, the enactment of unfunded mandates, this law requires the Congressional Budget Office (CBO) to estimate the cost of unfunded public and private sector mandates. CBO cost estimates are now required to be included in committee reports accompanying legislation brought to the House floor for consideration.

In addition, the UMRA also created a new enforcement mechanism, using points of order, for legislation proposing unfunded public and private sector mandates exceeding the UMRA's allowable limits. For 2003, legislation to be considered on the House floor with an intergovernmental mandate exceeding $59 million and/or a private sector mandate exceeding $119 million face the prospect of triggering points of order under the UMRA. With respect to the federal rule-making process, the UMRA also requires the Executive Branch to prepare written statements identifying the costs and benefits of unfunded federal mandates costing more than $100 million or more.

In the 105th, the 106th, and the 107th Congresses, the Rules Committee exercised its oversight authority regarding the UMRA by holding original jurisdiction hearings on the law, and in some years, reporting legislation designed to build on the UMRA's success in curtailing the growing proliferation of unfunded public mandates. These measures would have established another point of order against bills with private sector mandates exceeding $100 million. While the House approved this legislation, unfortunately the Senate did not.

Provisions within Title I of the UMRA, as amended, originally authorized appropriations for the CBO to perform its new duties and obligations over the next five fiscal years. This authorization expired at the end of FY 2002, and will need to be reauthorized during the 108th Congress. The Rules Committee may utilize this opportunity to examine the UMRA and its procedures in order to determine if the UMRA can be improved for the future.

The Congressional Review Act of 1996

The Congressional Review Act (CRA) was enacted as part of the Small Business Regulatory Enforcement Fairness Act of 1996 (P.L.104-121) during the 104th Congress. The CRA provides Congress with an opportunity to review regulations before their final implementation. Under the expedited procedures established by P.L. 104-121, if a majority of

the House and Senate vote to approve a joint resolution of disapproval and the president signs it into law within 60 legislative days of the regulation's publication in The Federal Register, the proposed regulation cannot go into effect.

Since its enactment, the CRA has been used sparingly. Before the 107th Congress, only seven joint resolutions of disapproval had been introduced, and none of those measures were considered by either the House or Senate.

However, in the 107th Congress, the CRA's expedited procedures for consideration of such joint resolutions of disapproval were utilized. On March 1, 2001, Senator Don Nickles introduced S.J. Res. 6, which was a joint resolution of disapproval for a regulation regarding ergonomics that the Clinton Administration sought to implement in its waning days. The Senate passed S.J. Res. 6 on March 6, 2001, by a vote of 56-44. On March 7, 2001, the House passed the measure by a vote of 223-206. On March 20, 2001, President Bush signed it into law (P.L. 107-5).

The Rules Committee may examine the CRA, and its procedures, in order to determine if the CRA can be enhanced and better utilized in the future.

Expedited Procedures and Trade Promotion Authority

Section 151 of the Trade Act of 1974 established a "fast track" procedure for the consideration of legislation implementing trade agreements negotiated by the President. Section 1103(b) of the Omnibus Trade and Competitiveness Act of 1988 provided the last extension of trade negotiating authority with "fast track" procedures, until 2002. This extension applied to implementing bills submitted with respect to trade agreements entered into before June 1, 1991, and was further extended until June 1, 1993, through operations of provisions of section 1103(b). Subsequent to the expiration of the trade negotiating authority on June 1, 1993, Public Law 103-49 (H.R. 1876) provided for an additional extension of the fast track procedures only for the purposes of concluding the Uruguay Round of multilateral trade negotiations.

After a nine year interval during which the President's ability to successfully negotiate significant trade promoting international agreements was significantly impaired by the fact that Congress had not granted the President Trade Promotion Authority, Congress passed the necessary legislation (P.L. 107-210) in 2002. The expedited procedures of P.L. 107-210 limit the capacity of Congress to amend legislation implementing trade agreements. In order to offset this limit on congressional authority once implementing legislation is introduced, the statute requires the Administration to undertake significant consultation and cooperation with Congress during trade negotiations. P.L. 107-210 also provides an expedited process for disapproval resolutions. These resolutions are required to be referred to both the Ways and Means Committee and the Rules Committee.

The completion of bilateral free trade agreements with Singapore and Chile, and the anticipated start of additional negotiations with Australia, Morocco, the South African Customs Union, and other Western Hemisphere trading partners are proof of the President's commitment to a free trade agenda throughout this hemisphere and the world. This progress in both multilateral and bilateral trade negotiations would not have been possible without the passage by Congress of trade promotion authority.

Since it is likely that the first trade agreements to be completed under the newly renewed trade promotion authority will occur during the 108th Congress. The Rules Committee anticipates working closely with the Office of the U.S. Trade Representative and the Committee on Ways and Means to ensure the smooth implementation of the Trade Act of 2002. The Rules Committee intends to continue to monitor the effectiveness of the expedited procedures related to trade promotion authority.

Impact of New Information Technologies on the House

By constitutional design, Congress is usually a slow-moving institution, and the process of consensus is often messy and difficult. Even though the institution has crossed the threshold into the computer age, it still faces numerous pressures and challenges in adapting emerging technologies to a deliberative legislative process.

Congress has taken remarkable steps to adapt to the information age. Prior to the 104th Congress, fewer than 50 House Members had e-mail addresses, and there were no committee or personal office Web sites. The House of Representatives was a paper-based institution where electronic information and documents existed in separate computers that were not interconnected. Most documents were only available for mass distribution in hard-copy (paper) format.

Today, Congress's efforts to bring itself online in the age of the information superhighway have become an important, albeit largely unheralded, part of the institutional reform efforts of recent years. The technological infrastructure of the House is state of the art. Members and staff are better trained and technically more savvy. Every Member and standing committee has a website. The public has unprecedented access to Members of Congress and real-time legislative information, such as roll call votes, the Congressional Record, bills, and committee reports. Committees now have the ability to cybercast their hearings over the Internet, thus bypassing conventional media.

This new medium of communication is transforming the culture, operations, and responsibilities of Congress in a positive way. Providing real-time access to information allows the broader public to play a more meaningful role in making government work better. Technology is helping us bridge the gap of time and distance to bring representative government closer to the people. It is helping us to create a more orderly process and to reduce costs and bureaucracy.

At the same time, there is concern that misapplied technology can exacerbate inequities in our political system, maintain those aspects of the status quo that require change and undermine the nature of representative government that has served our country so well over the past two centuries.

In an effort to institutionalize a permanent examination of how technology is impacting the institution, in the 107th Congress the Rules Committee replaced the Subcommittee on Rules and Organization of the House with a new Subcommittee on Technology and the House. In addition to retaining the jurisdiction of the old Subcommittee, the new Subcommittee has general

responsibility for measures or matters related to the impact of technology on the processes and procedures of the House.

During the 106th Congress, the Rules Committee examined the impact of technology on the role and responsibilities of committees; the dissemination of information electronically; and deliberation as the institution becomes more accessible to the public. The Committee examined the use and impact of technology in the state legislatures. The Committee reviewed how recent acquisitions of new forms of technology affected House and committee rules and decision-making in committees and on the House floor. The Committee reviewed how the Internet and other information technologies affect the way Members of Congress communicate with constituents and examined the advantages and disadvantages of providing immediate on-line access to various forms of congressional documents and information, particularly in light of the House rule requiring the electronic availability of committee publications. Finally, the Committee canvassed other committees' Internet broadcasting procedures and recommended a new model rule for the 107th Congress requiring Internet broadcasting of committee hearings to be fair and non-partisan.

The terrorist attacks against the United States on September 11, 2001 and the subsequent anthrax attack and contamination of various House and Senate facilities one month later underscored the vulnerabilities of the continuity of Congress in the event of a future attack or threat against the institution. The Committee addressed some of the procedural vulnerabilities through the aforementioned changes in the 108th Congress rules package. During this Congress, the Committee will continue to build on these efforts as well as thoroughly examine the potential benefits of new and evolving technologies to further enhance the continuity of Congress. In doing so, the Committee will work to ensure that a proper balance is struck between the requirement to improve security, the desire to enhance democracy and participation, and the need to maintain the deliberative traditions and representative nature of the institution.

Resolving Jurisdictional Disputes

Beginning in the 104th Congress, the House sought to streamline what was considered to be a bloated and ineffective committee system. The opening day rules package for the 104th Congress, abolished 3 full committees (Committees on Post Office and Civil Service, the District of Columbia, and Merchant Marine and Fisheries) and transferred their jurisdictions to other remaining committees. The rules package also gave the Budget Committee shared legislative jurisdiction over certain budgetary legislation, and limited the number of subcommittees each committee was allowed to have. In the 107th Congress, the trend toward jurisdictional consolidation continued in the opening day rules package with the establishment of a new Committee on Financial Services.

The opening day rules package (H. Res. 5) for the 108th Congress included a separate order establishing the Select Committee on Homeland Security. As part of its establishment, the Select Committee, was charged with conducting a thorough and complete study of the operation and implementation of the rules of the House, including rule X, with respect to the issue of homeland security. The Select Committee was also directed to submit its recommendations regarding any changes in the rules of the House to the Committee on Rules not later than September 30, 2004. The Rules Committee, having sole jurisdiction over the rules of the House, welcomes the submission of the Select Committee's recommendations for consideration. The

Rules Committee is prepared to assist the Select Committee to ensure an effective and institutionally sound proposal.

In the 108th Congress, the Rules Committee will continue to review proposals to streamline the committee system and increase effective oversight. Fragmented jurisdictions, differences in jurisdiction between House and Senate committees, the budget and appropriations process, and the oversight process are ongoing areas of concern for the Rules Committee when considering issues as broad as homeland security, terrorism, hunger, and drug control. The House has at its disposal several different mechanisms to deal with these broad and important national issues from both a legislative and oversight standpoint. The Committee will continue to explore various options available to the House in an effort to insure that these important national issues are addressed in the most effective way possible.

Unauthorized Appropriations

According to a January 2002 Congressional Budget Office report entitled: Unauthorized Appropriations and Expiring Authorizations, Congress appropriated over $91 billion to unauthorized federal programs in FY 2002. In an effort to bring greater attention to this problem, the opening day rules package for the 107th Congress amended clause 3(f)(1) of Rule XIII to expand the reporting requirements for unauthorized appropriations to include a statement of the last year for which the expenditures were authorized, the level of expenditures authorized for that year, the actual level of expenditures for that year, and the level of appropriations in the bill for such expenditures. In fiscal year 2002, $91 billion in appropriations were provided for 131 federal programs whose authorizations had expired. The Congressional Budget Office predicts that in fiscal year 2003, $486 billion in appropriations will be provided for 64 federal programs whose authorizations have expired.

The Rules Committee will continue to examine additional proposals to encourage committees to use early months of a congressional session to report authorizing legislation that must be in place before the thirteen regular appropriation bills are considered.

Democratic Views

There is little need for the Democratic Members of this Committee to once again express our opposition to many of the proposed legislative initiatives outlined by the Committee majority in this report. We continue to oppose biennial budgeting for the reasons we have reiterated time and again, and our opinion of the President's "Freedom to Manage" initiative remains as negative as it was last year. In short, we see the Committee's oversight plan for the 108th Congress to be more of the same bad ideas.

We would like to take this opportunity to point out a few matters we believe, in the interest of fairness and the democratic process, that the Committee should pay closer attention to than its worn-out proposals for "reforming" the House and the government at-large. We believe the Republican majority has, in the years since it took control of this institution, made a concerted effort to shut down debate and stifle those voices, on both sides of the aisle, who believe that alternative viewpoints are deserving of consideration and debate in this democratic institution. Therefore, we would hope this Committee would spend more time working to ensure fair and open debate and less on issues that do little to promote democracy in this body.

Broken Promises

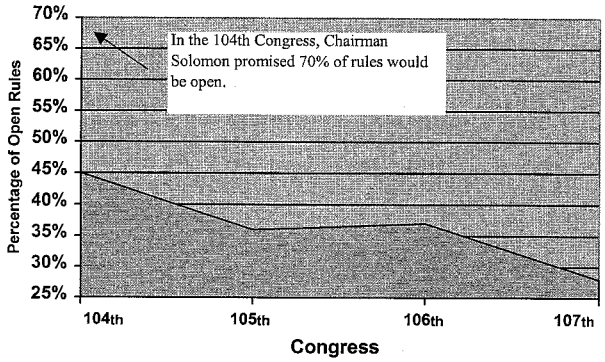
We recall quite clearly the pledge made by our late Chairman, Gerald B.H. Solomon on opening day of the 104th Congress about how he would run the Committee now that he was chairman. Mr. Solomon pledged 70 percent of all rules reported by the Committee on Rules would be open. Unfortunately, since 1995 when the Republican Party did take control of the House, this committee has never reported any where near the 70 percent open rules he pledged to report. In fact, in the last Congress, this Committee reported only 31 percent open rules in the First Session and 26.5 percent open in the Second Session, for a combined average of 28.4 percent for the entire 107th Congress.

While Chairman Dreier may not have made the pledge, if we took as a goal 50 percent open rules, this Committee reported 21.6 percent below that goal between January 2001 and December 2002. We believe this percentage represents only a small part of the record of systematically closing down debate in the House of Representatives – fully two-thirds of the rules reported in the 106th Congress were closed or restrictive and almost three-fourths in the 107th. It should be noted that included in the percentage of open rules are those rules providing for the consideration of appropriations bills. While these rules are "technically" open, the type of amendments that may be offered to appropriations bills are severely restricted given the prohibition on the consideration of legislative amendments or amendments that do not comply with the Budget Act.

The following is a chart demonstrating that Chairman Solomon's pledge has never been fulfilled and that the Republican majority is steadily eroding the percentage of

open rules that provide for consideration of legislation in the House.

Broken Promise: The Percentage of Open Rules Has Steadily Declined Since Republicans Took the Majority



We completely understand that in order to manage the time of the House efficiently, it is necessary for the majority party to restrict debate and amendments on many important legislative proposals considered on the floor. In fact in the *Survey of Activities* published by the Rules Committee at the end of the 103rd Congress, the Committee stated: "The Committee has granted more and more structured rules in recent years. While the minority may disagree with this rationale, the Committee contends that structured rules are necessary to ensure that the House continues to be a vigorous, effective lawmaking body in which the majority prevails." The House has a long history of moving toward more structured debate, a trend that was noted in the *Survey* as being a reflection of the "desire of the membership for more structured debate, more certainty in the schedule, and advance notice of the amendments to be debated." *(Survey of Activities of the House Committee on Rules, 103rd Congress, p. 23, 1/2/95.)*

We understand that the Republican minority, prior to the 104th Congress, may have had some legitimate complaints about being shut out of the debate by the actions of the Rules Committee. And, the Members of this Committee were not reticent when it came to making their case on the floor. For example, during the debate on the rule on the Federal Employees Political Activities Act in 1993, Mr. Solomon said:

> Every time we deny an open amendment process on an important piece of legislation, we are disenfranchising the people and their Representatives from the legislative process. The people and their Representatives are not even being treated as second-class citizens; they might as well not be citizens at all given how little impact they have on shaping legislation in the House. If that is not undemocratic,

> I would like to know what is. . . . In other words, Mr. Speaker, the further you and your leadership stray from the regular order around here, the more you are instituting a new order which is not democracy by any definition. . . . The people are sick and tired of this political gamesmanship. They want back their own House and they want it open and democratic, not closed and dictatorial. *(Congressional Record, pp. H975-976, 3/3/93, rule on Federal Employees Political Activities Act.)*

The simple fact that 72 percent of the rules reported from this Committee in the last Congress were closed or restrictive certainly makes a case that Mr. Solomon's statement could very well apply to the current Leadership of the House. But, more importantly, we believe the Committee, and the Membership as a whole, should pay close attention to the concerted efforts this Committee and the Republican Leadership have made to close down debate by denying Democratic Members of the House the right to offer substantive amendments to important legislative proposals.

Gagging the House

For many years before the Republicans took control of this institution, it was often heard from their Members that the Committee on Rules and the Democratic Leadership were "gagging" Members by cutting off their ability to offer amendments on the floor. We believe the same can be said of the Republican Leadership since they have taken control; in fact, we believe their actions are far more egregious than any taken by Democrats in the past. As we have stated above, we are perfectly aware of the need of the majority leadership to establish certainty in the schedule and to ensure that the majority will prevails. This acknowledgement does not, however, mean that we concur in the majority's ability to prevent most, and in many instances any, contrary opinions to be heard on the Floor.

In 1993, Chairman Dreier expressed his opposition to the use of closed rules to bring legislation to the floor.

> Mr. Speaker, I rise in strong opposition to this closed rule, which is clearly a reflection of a House leadership stuck in a time warp. It seems to be addicted to partisan bickering and an aversion to compromise. This closed rule is very unnecessary. At a time when there is no other business waiting to come to the floor, when we seem to go into recess every other week, and when the American people are looking to us for serious debate and bipartisan cooperation, the Democrat *(sic)* leadership insists on closed rules intended only to gag debate, block compromise, and hide important issues from the American voters. It is the height of irony that a bill nominally intended to expand the democratic process is shielded by a rule which is so undemocratic. Of course, that's undemocratic with a small 'd', because closed gag rules have become the process of chose for the House Democrat *(sic)* leadership. Mr. Speaker,

> passing this bill under cover of a closed rule like this is not breaking the dreaded gridlock. It is just a very poor legislative process. (*Congressional Record, p. H496, 2/4/93, on rule for H.R. 2, the Motor Voter Bill.)*

We are particularly concerned that the Republican majority on this committee and the Republican Leadership have steadily eroded the ability of the minority to offer substantive amendments to substantive legislative proposals. We consider this trend to be dangerously close to a willful silencing of those voices that do not share the point of view of the Republican leadership. To use the words of Chairman Dreier, perhaps the Republican Leadership is insisting on closed or restrictive rules because it is their intention to "gag debate, block compromise, and hide important issues from the American voters."

A look at the record clearly demonstrates how the Republican majority methodically and with single-mindedness shuts Democrats out of the process when it comes to major issues before the House. For example, the Republican majority has made much of the fact that the Rules of the House were amended in the 104th Congress to **guarantee** the minority a motion to recommit with instructions. We agree that this was a much needed and long overdue reform. However, we must take issue with the use of this so-called guarantee as the only means to offer an alternative point of view when it is an understood practice of the two political parties in this body to consider the motion to recommit to be a party-line vote.

The Republican majority continually tries to promote the motion to recommit as an equal opportunity for the minority party to offer a substantive alternative. If one discounts the fact that a motion to recommit is afforded a mere 10 minutes of debate unless the majority floor manager requests that the motion be granted an hour of debate, the motion to recommit must conform with all the rules of the House. Thus, a motion to recommit may contain provisions which might require a waiver of a rule of the House or of the Budget Act and unless the majority on the Rules Committee grants those waivers to the motion to recommit, the minority may be prevented from offering a substantive alternative. An examination of the record reveals that the Rules Committee usually waives all points of order against the bill but rarely if ever to the motion to recommit.

Of the 37 closed rules reported by the Rules Committee in the 107th Congress, 25 waived all points of order against the bill. **In those 25 instances, the Republican bill was allowed to break procedural and budget rules while at the same time the Democratic alternative was left without the same protection.** In not one instance did the Republican majority waive points of order against the motion to recommit. We believe that if our Republican colleagues really want to be fair, all Democratic alternatives, whether substitutes or motions to recommit, should be given equal standing with the bill under consideration. Without this equality of standing, it is nearly impossible for Democrats to craft real substitutes or real motions to recommit and the minority is thus forced to piece together a substitute or motion to recommit that does not violate the rules of the House, especially when the underlying bill is not required to jump

through legislative hoops by virtue of the fact the Rules Committee has given it the waivers it needs to be considered on the floor.

Democrats usually fare no better under "structured" rules. These so-called structured rules give the Republican leadership the ability to limit the number of Democratic amendments that might be offered on any given bill, they allow the Republican majority to cherry pick from among the amendments they believe will give them less grief on the floor – usually those amendments they know they can defeat or those amendments which speak to a provision in the bill that is of little or no controversy.

It is extremely rare for the Republican majority to make in order those important and substantive amendments offered by Democrats that offer a clear policy difference with Republican policy. By making one or two rather innocuous and non-controversial Democratic amendments in order, the Republican manager of a rule will claim that Democrats are getting a fair shake thus making the rule under consideration a fair rule. The following examples paint a dismal picture of just how badly Democratic Members were treated by the Republican majority in the 107th Congress. When the House considered H.R. 2586, the National Defense Authorization Act for FY 2002, **Democrats brought 40 amendments to the Rules Committee; only two were allowed.** When the House considered H.R. 4, the Securing America's Energy Future Act, **Democrats brought 106 amendments to the Committee yet only five were made in order in the rule.** When the House considered H.R. 1, the No Child Left Behind Act, **Democrats offered 77 amendments and the Rules Committee only allowed eight of them to be debated by the full House.**

Under the Republican majority, we have seen an alarming trend in those instances in which Democrats have been denied the right to offer a substitute or when a substitute or a motion to recommit has been hamstrung because it has been denied the same waivers granted the committee bill. In addition, we are deeply concerned about the majority's practice of denying Democrats the right to offer substantive policy-driven amendments. These actions on the part of the Republican leadership make an absolute mockery of our representative government. When Democrats offer amendments to the rule proposed by the majority and those amendments are repeatedly defeated on a straight party-line vote, we are reminded of the words of our Committee Vice Chairman Porter Goss from February of 1993,

> Mr. Speaker, as was the case yesterday, there were many good amendments proposed to correct some of this bill's most egregious problems. And, as we saw yesterday, those amendments were defeated in the Rules Committee on an almost automatic party line vote. It is becoming clear to this Member that, for the majority leadership, ending gridlock means limiting the rights of the minority while depriving this House and the people it represents of the right to fully debate and consider the issue. Our system of government is rapidly giving way to autocratic, one-party rule. *(Congressional Record, p H 496, 2/4/93, on rule for H.R. 2, the Motor Voter bill)*

In the immortal words of Yogi Berra, it's déjà vu all over again.

We would like to point out that the large number of recorded votes on the previous question in the last Congress represents the only way, in most instances, that Democrats could even attempt to meaningfully participate in the deliberations of the House. In 34 separate instances, Rules Committee Democratic Members attempted to defeat the previous question on a rule in order to offer an amendment to the rule that would permit open and fair debate on important legislative proposals. While previous question votes are almost always strictly party-line, those votes are oftentimes the only way that Democrats can put the House on record on any given issue. In a democratic society, we should expect better in the people's House.

The Vampire Congress

Much of the work of the 107th Congress was conducted under the cover of darkness, making a mockery of the idea that our work in the House of Representatives is a model of transparency for the rest of the world. This is most especially true in the case of the proceedings of the Committee on Rules.

Rule 2 of the rules of the Committee on Rules contemplates that the Committee will conduct its business through regular meetings and that the Chair will afford Members 48-hours notice of a regular meeting and provide materials relating to that meeting at least 24-hours before a hearing. Rule 2[c] allows the Chair to call an emergency meeting "at any time on any measure or matter which the Chair determines to be of an emergency nature."

Webster's Collegiate Dictionary defines "emergency as:

> *An unforeseen combination of circumstances or the resulting state that calls for immediate action.*

Although situations certainly arise (especially at the end of a session) that require the Chair to legitimately use his emergency meeting power, it is obvious the rules do not contemplate that the Chair should use the emergency meeting as a regular way to conduct the business of the Committee. The vast majority of the rules reported from the Committee are not considered under an emergency designation, but increasingly, we are disturbed to see that the number is increasing until it seems almost commonplace.

Committee chairs communicate constantly with the House leadership about when they will mark up and report out bills and work in concert with the Majority Leader's office to ensure that their bills will be considered in a timely manner once they have been reported and are ready for floor consideration. Most bills coming before the Committee are foreseeable, and have in fact been noted by the Majority Leader the week before during his colloquy with the Minority Leader or Minority Whip.

It is therefore disturbing to see that in the 107th Congress one-third of the Committee's business was conducted under an emergency designation. Of the 191 rules reported by the Committee in the last Congress, almost a third (approximately 60 rules) were issued when the Committee was sitting in emergency session. Of the approximately 115 Notices of Action issued by the Committee, about 45 (or 38 percent of all meetings) contained emergency items.

When the Rules Committee meets after 9 or 10 or later at night, or meets at 7 in the morning, Members are discouraged from attending the Committee's deliberations. Although the Committee's official policy is to welcome testimony from Members, its frequent last-minute late-in-the-night meetings send a clear message to Members, even to Committee chairs and their ranking Members as well as other Members deeply involved in the drafting of the legislation in question, that their input is not welcome.

It is also disturbing to note that often times emergency meetings are declared when the text of a bill has been significantly altered and very few Members of the House have been notified of the meeting or the changes in the text of the bill. The Committee routinely waives the three-day layover on legislation, and has in many cases, considered legislation that has not been officially reported from any committee of the House. Thus, when the Committee meets late at night, or early in the morning before the House convenes, Members are denied the right to carefully examine the proposals they will be asked to vote for or against.

While the Chairman is given a great deal of discretion in deciding what "emergency" means, we hope that he and the Republican Leadership will be more respectful of the legislative process and the idea of transparency in the new Congress.

A Hope for a Representative House

In conclusion, the Democrats on this Committee hope that in the new Congress our Committee majority will pay less attention to shop-worn legislation that comes under our original jurisdiction and more to correcting the problems they complained about so loudly when Democrats were last in control of this institution. To do less would make a mockery of the statements they made on the floor of the House of Representatives of the United States of America.

Martin Frost

Louise Slaughter

Jim McGovern

Alcee Hastings

House Science Committee Oversight Agenda – 108th Congress

Energy Subcommittee Oversight Agenda – 108th Congress

Topics

Energy Policy and the Role of Energy R&D
High energy prices and potential conflict in the Middle East continue to place energy on the front burner of the Nation's agenda. The Administration and the House and Senate leadership have identified energy legislation as one of their highest priorities for the 108th Congress. A major component of such legislation will be Energy R&D and improving the reliability and efficiency of our energy infrastructure through enhanced R&D. The goal will be to help develop a balanced portfolio of energy research programs within the Department of Energy, including fossil, nuclear, renewable and efficiency programs.

DOE Laboratories
DOE's laboratory complex—funded at about $6 billion annually—originated during World War II with the establishment of the Manhattan Project to develop the atomic bomb and grew during the Cold War. Today's complex of laboratories provides a wide range of R&D capabilities in numerous locations around the country. Management of the laboratories is divided among several organizational elements within DOE and administered by different non-governmental contractors. Recent problems at Los Alamos in controlling and monitoring government purchasing practices and ensuring security of equipment highlight the need for oversight. Also, calls for external regulation worker and nuclear safety practices at the labs will require committee oversight. Finally, the committee will examine the need for action to address the continuing deterioration of the laboratories' aging infrastructure.

DOE Organizational Issues
DOE's organizational structure, which includes a dozen headquarters program offices, numerous major field offices and over 50 major government-owned-contractor-operated facilities, has been undergoing extensive reorganization. Major reorganization plans for the Office of Science and the Office of Energy Efficiency and Renewable Energy have been announced and are underway. The committee will monitor the effectiveness of such reorganization plans to ensure they maximize productivity and minimize overlap and duplication and that they result in overall program efficiency.

Hydrogen R&D Initiative
The Administration's FreedomCAR program, announced last year, and Hydrogen Fuels initiative, announced earlier this year, will provide significant additional Federal funding and direction for R&D into hydrogen as a preferred fuel for the Nation's economy. Hydrogen has the potential to provide a cleaner, more efficient source of fuel to power the economy than the fossil fuels used for almost 90 percent of our energy supply. Major research efforts will be required to ensure that vehicle and stationary source

technologies come on line quickly, along with the infrastructure needed to allow their development. The committee will examine whether the Administration's research plan and program goals are adequate to ensure an efficient transformation to a hydrogen-based economy.

Nuclear Fusion
The Administration recently announced plans to reenter international negotiations leading to the development of the International Thermonuclear Energy Reactor (ITER). The project is a major step toward the long-range goal of developing clean and abundant power from nuclear fusion. The Committee will examine the role the United States should play in such negotiations, including the relative U.S. contribution towards ITER, the form such contribution should take, the impact such a large-scale international project would have on a domestic fusion science program, the pace of the international fusion research effort and the contributions of other countries to such an experiment.

Energy Aspects of Climate Change
The Subcommittee, in conjunction with the Subcommittee on Environment, Technology, and Standards, will continue to monitor Federal R&D and Technology programs to address climate change issues. This would include ensuring that existing Federal energy technology programs are adequate and properly focused to meet potential global warming challenges.

Contract Management
DOE programs have come under frequent scrutiny for contract management practices. GAO designated DOE's contract management as a high-risk area in 1990 and continues to identify areas for the potential for fraud, waste and abuse. The DOE's Inspector General and the national news media have also identified problems.

Results Act and Management Tools
The Subcommittee will examine the use of Government Performance and Results Act principles and other management performance tools to review DOE programs, performance plans, and budgets.

Future Science Facility Needs
There are a number of science facility upgrades being planned or proposed for existing user facilities to meet the challenges of tomorrow's energy science R&D programs, which would be reviewed.

Environment, Technology, and Standards Subcommittee Oversight Agenda – 108th Congress

Topic

Transportation R&D
The Subcommittee will conduct oversight hearings into surface transportation research and development programs within the federal government, states, academia and interests groups. The hearings will provide the basis reauthorization of the research provisions of the Transportation Equity Act for the 21st Century (P.L. 105-178)

Climate Change Science Programs
The Subcommittee will conduct oversight of the Administration's multi-agency climate change programs. The Administration created a new management structure of what was known as the U.S. Global Change Program (USGCRP) and created a new Climate Change Science Program Office, headed by the National Oceanic and Atmospheric Administration. The Subcommittee will also examine the Administration's Climate Change Research Initiative (CCRI), which is supposed to focus on priority areas of uncertainty and provide useful information to decision makers. The Subcommittee is concerned about coordination among the agencies, especially in areas of observations, computer modeling and data management.

Voting Standards
The Subcommittee will examine the establishment of the Technical Standards Committee (which will be part of the Election Assistance Commission created by the Help America Vote Act, P.L. 107-252) and its role, as well as that of the National Institute of Standards and Technology, in helping develop technical standard for voting systems and equipment. The Committee worked closely with the House Administration Committee to include these provisions in the Help America Vote Act.

World Trade Center
The Subcommittee will conduct oversight of the ongoing investigation by the National Institutes of Standards and Technology into the collapse of the twin towers of the World Trade Center. The Subcommittee will also examine the implementation of the National Construction Safety Team Act (P. L. 107-231).

Technology Administration
The Subcommittee will examine the Administration's proposal to move the National Telecommunications Information Administration and the e-commerce duties of the International Trade Administration into the Technology Administration. The Subcommittee will also work with the Space Subcommittee to examine efforts by the Administration to move the Office of Space Commercialization out of the Technology Administration. The CyberSecurity Act that passed in the 107th Congress included provisions forbidding such a move.

Science at the Environmental Protection Agency (EPA)

The Subcommittee will continue to conduct oversight of EPA's management of science and its use of science in decision making. In particular, the Committee will examine how the Administration's initiative to better integrate science into the regulatory decision-making process is being implemented.

Satellite Programs at the National Ocean and Atmospheric Administration (NOAA)
The Subcommittee will continue to conduct oversight into NOAA's current and future satellite programs. Emphasis will be on NOAA's next generation polar orbiting satellite program (NPOESS) and the upcoming new geo-stationary satellite program (GOES-R). The Subcommittee will also continue to examine NOAA's problems in management and storage of the satellite and weather data that are critical to forecasts and research.

Climate Science at NOAA
The Subcommittee will also examine the climate change research and services programs at NOAA. The Subcommittee will focus on the goals and implementation of these programs with particular emphasis on observations, modeling and data management.

Research Subcommittee Oversight Agenda – 108th Congress

Topics

Science and Math Education
The Subcommittee intends to continue to oversee National Science Foundation (NSF) programs aimed at improving math and science education at the K-12, undergraduate, graduate, and post-doctoral levels, in particular the implementation of education provisions passed as part of Public Law 107-488.

Academic/Industry Partnerships
The Subcommittee will review the effectiveness of academic/industry partnerships.

Technology Transfer
The Subcommittee intends to review how research efforts at universities are affected by the patenting and licensing provisions of the Bayh-Dole act of 1984. We will also examine other policy incentives to promote technology transfer.

Biotechnology
The Subcommittee will continue to monitor the progress of plant biotechnology research, particularly the Plant Genome Initiative at NSF, as well as the establishment of Plant Genome and Gene Expression Centers and plant biotechnology partnerships for the developing world authorized as part of Public Law 107-488.

Government-wide R&D initiatives in emerging fields (e.g. cybersecurity, information technology, nanotechnology)
The Subcommittee intends to review federal R&D programs in the above fields, and will likely move legislation to improve coordination of interagency activities in these areas.

Astronomy
Examine funding and activities of NSF astronomy programs.

Antarctic Research
The Subcommittee will continue close review of NSF's research activities in Antarctica, following up on Congressional Delegation visit to Antarctica in January.

United States Fire Administration (USFA) Assistance to Firefighters grant program
The Subcommittee intends to reauthorize activities at USFA, as well as continue to monitor the Assistance to Firefighters grant program as the Federal Emergency Management Agency (FEMA) is transitioned into the Department of Homeland Security.

National Earthquake Hazards Reduction Program (NEHRP)
The Subcommittee intends to reauthorize this multi-agency earthquake mitigation program.

Department of Homeland Security Establishment
The Subcommittee will monitor the establishment of the Department of Homeland Security (DHS), in particular the responsibilities of the Under Secretary for Science and Technology. Also will review how non-security emergency response activities within FEMA will be affected by transition into DHS.

Research and National Security
The Subcommittee will continue to examine the challenges presented by prioritizing research activities during wartime, as well as examine the need to balance the desire for open scientific communication with the need to ensure research activities do not contribute to security vulnerabilities. This review may lead to a broader review of general research ethics.

Digital Millennium Copyright Act
The Subcommittee intends to consider the impact of research and publication restrictions on work arising from the anti-circumvention provisions of the Digital Millennium Copyright Act.

Space and Aeronautics Subcommittee Oversight Agenda – 108th Congress

Topics

Space Shuttle Investigation
The committee will conduct an investigation of the Space Shuttle Columbia accident. The primary focus of the investigation will be on policy. The committee will look at whether poor policy choices contributed to problems on the Shuttle program and what policies need to be put in place for the future.

Space Station
The committee will continue its oversight activities focused on NASA's management of the Space Station program. Specific issues include cost control, independent assessments, management reforms, and contributions from the international partners.

Space Transportation Program
The committee will examine NASA's new plan for space transportation. The committee will review the program to ensure that the requirements and goals are clearly identified and that management processes are adequate.

NASA Contract Management
The committee will review NASA's contracting procedures to ensure their overall consistency with existing federal guidelines promoting competition and outsourcing.

FAA Research and Development
The committee will review FAA R&D programs to ensure that they lead to improvements in FAA mission performance.

Agency Compliance with Congressional Directives
The committee will review agency compliance with legal direction provided to it by Congress.

NASA Research Grants
The committee will review NASA's research grants award process to ensure it is competitive and open to the widest segment of the scientific community.

Competitive Out Sourcing at NASA
The committee will review NASA's contracting procedures to ensure their overall consistency with federal guidelines promoting competition and outsourcing.

Aerospace Workforce
The committee will review the status of the aerospace industry's workforce and federal programs intended to ensure that the workforce remains capable of achieving national goals.

DONALD A. MANZULLO, ILLINOIS
CHAIRMAN

NYDIA M. VELÁZQUEZ, NEW YORK

Congress of the United States

House of Representatives

108th Congress

Committee on Small Business

2361 Rayburn House Office Building

Washington, DC 20515-0315

February 25, 2003

The Honorable Tom Davis
Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

The Committee on Small Business submits its adopted Oversight Plan for the 108th Congress.

The Democrat Caucus resolved the composition of their membership and the committee was able to organize and adopt the Oversight Plan today.

If you require further information regarding this proposal, I will gladly provide it.

Sincerely,

Donald A. Manzullo
Chairman

Enclosures

DONALD A. MANZULLO, ILLINOIS
CHAIRMAN

NYDIA M. VELÁZQUEZ, NEW YORK

Congress of the United States
House of Representatives
108th Congress
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515–6315

OVERSIGHT PLAN FOR THE COMMITTEE ON SMALL BUSINESS
108TH CONGRESS
U.S. HOUSE OF REPRESENTATIVES
DONALD A. MANZULLO, CHAIRMAN

Rule X, clause 2(d)(1), of the Rules of the House requires each standing Committee to adopt an oversight plan for the two-year period of the Congress and to submit the plan to the Committees on Government Reform and House Administration not later than February 15 of the first session of the Congress.

The oversight plan of the Committee on Small Business includes areas in which the Committee expects to conduct oversight activity during the 108th Congress. However, this plan does not preclude oversight or investigation of additional matters as the need arises.

OVERSIGHT OF THE SMALL BUSINESS ADMINISTRATION

The Committee will conduct hearings on all the major programs of the Small Business Administration (SBA) to determine their effectiveness and possible options for improvements, as a prelude to reauthorization of the entire SBA to be completed by September 30, 2003.

FINANCIAL AND MANAGEMENT/TECHNICAL ASSISTANCE PROGRAMS

The Committee will conduct hearings on the effectiveness and efficiency of the SBA's major programs. These include: 7(a) General Business Loan Program, the Certified Development Company Program, the Small Business Investment Company (SBIC) Program, the Microloan Program, the Disaster Loan Program, Small Business Development Centers (SBDCs), and New Markets Venture Capital Program. In particular, the Committee will closely monitor the subsidy rate calculations for the loan guarantee programs and take the necessary steps to ensure that the programs are able operate during this economic downturn in the most fiscally-prudent manner possible. In addition, the Committee will oversee the Office of Government Contracting to ensure that other Federal agencies meet the minimum threshold of various small business goals in Federal government procurement.

The Committee will also examine on the ability of small businesses to gain access to capital, focusing particularly on interest rates and bank regulations.

ADVOCACY

The Office of Advocacy was created to provide small business with an effective voice inside the Federal government. The Committee will conduct hearings on how to strengthen this voice and make sure that the Office of Advocacy continues to effectively represent the interests of small business. As part of this process, the Committee will also monitor the implementation of Executive Order 13272 regarding the "Proper Consideration of Small Entities in Agency Rulemaking." (Spring 2003)

VETERANS

In the 106th Congress, Congress created a new office of Veterans Business Development and the National Veterans Business Development Corporation to enhance and improve small business services to our nation's veterans. The Committee will continue to conduct hearings on the implementation of the Veterans Entrepreneurship and Small Business Development Act, including a review of the progress on achieving the service-disabled veterans goal in procurement. (Summer, 2003)

TECHNOLOGY AND RESEARCH ASSISTANCE

Small Business Innovation Research program

The Small Business Innovation Research (SBIR) program aids small businesses in obtaining federal research and development funding for new technologies. In 2000, Congress reauthorized the SBIR program for eight years. The Committee will investigate the implementation of the changes to the SBIR program and, more particularly, the outreach effort of the SBIR program to make sure that all areas of the country benefit from the program.

Small Business Technology Transfer (STTR) program

Committee oversight will focus on the program's success at helping small business access technologies developed at federal laboratories and put that knowledge to work. In 2001, Congress reauthorized the STTR program for eight years. The Committee will monitor agency implementation of PL 107-50 particularly as the funding formula changes in FY 2004. (Fall 2003)

FEDERAL PROCUREMENT

The Committee will examine needed changes in federal procurement. The Committee will continue to monitor and highlight the practice of creating bundled or consolidated mega-contracts that are too large for small business participation. Additionally, the implementation of Administration's strategy for increasing Federal contracting opportunities for small business as released by the Office of Federal Procurement Policy at the Office of Management and Budget in October 2002 will be closely scrutinized.

Because there is a direct correlation between the ability of an agency to achieve its goals and contract bundling, the success of Federal agencies in meeting all their small business goals will also be assessed.

With the continued practice of contract bundling, more small businesses will become subcontractors. In light of this, the Committee will work to ensure fair treatment for subcontractors on Federal contracts.

The Committee will also investigate the women's contracting program to make sure the program is serving the needs of women-owned businesses. (On-going)

GOVERNMENT COMPETITION

The Committee will examine the extent to which the Federal government itself directly or indirectly competes with small business. Our focus will include activities in both government practices and in certain status given by the Federal government to non-governmental entities. (On-going)

REGULATORY FLEXIBILITY

The Committee will continue its oversight of agency compliance with the Regulatory Flexibility Act, as amended by the Small Business Regulatory Enforcement Fairness Act. (Ongoing)

The Committee will oversee the implementation of the Truth in Regulating Act. (Winter, 2003)

SBREFA

The Committee will be conducting oversight hearings on agency implementation of the Small Business Regulatory Enforcement Fairness Act (SBREFA), which was enacted during the 104th Congress. The Committee will also examine the need to further amend and strengthen SBREFA. (Ongoing)

PAPERWORK REDUCTION

The Committee will hold hearings and work to reauthorize the Paperwork Reduction Act. (2003)

GOVERNMENT REGULATION

The Committee will continue to examine the regulatory activities of various Federal agencies and assess the impact of regulations on the small business community. (Ongoing)

TAXATION

The Committee will continue to conduct oversight hearings into ways to reduce the tax burden on small business. These hearings will include not only the monetary but also the paperwork burden of the Federal tax system and Federal enforcement efforts on small business. (Ongoing)

ENERGY

The Committee will conduct oversight hearings on the potential effects of any legislative changes in energy policy, including examining the possible effects of deregulation of electricity on small business. (Summer, 2003)

GOVERNMENT PERFORMANCE AND RESULTS ACT

The Committee will continue consultations with the SBA regarding the preparation and implementation of strategic plans and performance plans as required by the Government Performance and Results Act. (Summer, 2003)

EMPOWERMENT

The Committee will conduct oversight hearings on regulations and licensing policies that impact small businesses located in high risk communities. The Committee will also examine the promotion of business growth and opportunities in economically depressed areas, and will examine programs targeted towards relief for low-income communities. The challenges facing minority-owned businesses will continue to be evaluated. (Ongoing)

The Committee will specifically look at agency implementation of the New Markets Initiative Act and the Program for Investment in Microentrepreneurs (PRIME) program. (Spring, 2003)

WORKFORCE

The Committee will examine issues related to the problems faced by small businesses in attracting and retaining a high quality workforce. Specifically, the Committee will investigate vocational education programs, worker retraining programs, and wage and benefit issues. (Ongoing)

HEALTH CARE

The Committee will examine ways on how to improve access and increase affordability of high quality medical care for small business owners and their employees. (Ongoing)

PENSION REFORM

The Committee will examine ways on how to enhance retirement security for small business owners and their employees. (Ongoing)

E-COMMERCE AND TECHNOLOGY

The Committee will continue to conduct oversight hearings into ways to reduce the "digital divide" in order to promote business growth and opportunities in economically depressed areas. These hearings will also examine ways to help the average small businessperson exploit the vast potential of Internet commerce. (Ongoing)

TELECOMMUNICATIONS

The Committee will examine the impact of Telecommunications Act of 1996 on small business. First, the Committee will investigate whether or not the broadest range of small businesses have benefited from more competition in the telecommunications market through lower prices and better service. Second, the Committee will investigate whether or not small business telecommunication companies have benefited from the Act. The Committee will explore alternatives to enhance the benefits of the changes in telecommunications technology for small business. (Ongoing)

INTERNATIONAL TRADE

The Committee will continue to examine ways to expand export opportunities for small business. The Committee will conduct oversight hearings on Federal trade policy and export promotion programs to insure that they serve the needs of small business exporters. (Ongoing)

SELF-EMPLOYED

The Committee will hold oversight hearings on how to reduce the regulatory and tax burden on the self-employed, particularly those in home-based businesses. (Ongoing)

MANUFACTURING

The Committee is gravely concerned that over 2 million jobs have been lost in manufacturing over the past two years, much of which were in small manufacturing businesses. The Committee will hold a series of hearings to examine the causes of these problems and propose a series of recommendations for both legislative and administrative changes. (Spring, Summer 2003)

AGRICULTURAL/RURAL/FARM ISSUES

The Committee will examine ways to promote business growth and opportunities in rural areas. The Committee will hold oversight hearings on agricultural issues that impact small business. (Ongoing)

The Committee will hold oversight hearings on the impact of Federal lands policy on small business. (Ongoing)

REVIEW OF SPECIFIC REGULATIONS

Pursuant to Rule X, cl. 2(d)(1), the Committee on Small Business is required to submit to the Committee on Government Reform and the Committee on House Administration an oversight plan that "reviews specific problems with Federal rules, regulations, statutes, and court decisions that are ambiguous, arbitrary, or nonsensical, or that impose severe financial burdens on individuals...." The following is a summary of regulations that the Committee has so far identified for review but should not be interpreted as limiting the Committee's review of regulations issued by federal agencies that continue to impose unnecessary burdens on small business. In part, this review is based on the Committee's legislative jurisdiction to provide continuing oversight of the Regulatory Flexibility Act pursuant to Rule X, cl. 1(o)(1).

1. **Pathogen Reduction and Hazard Analysis of Critical Control Points, 9 C.F.R. Parts 417 and 500:** Federally inspected meat and poultry processors are required to initiate a plan to control food safety hazards. Rather than adopting procedures to assist small businesses in developing these plans, USDA has imposed onerous prescriptive regulatory requirements in contravention of the principles elucidated by HACCP. This has imposed substantial costs on small businesses without any concomitant benefit to consumers of meat and poultry products.

2. **Certificates of Medical Necessity, 42 U.S.C. § 1395m(j)(2) and Implementing Rules and Guidance:** Suppliers of durable medical equipment cannot obtain reimbursement unless they have a CMN from a physician authorizing the use of the equipment. Carriers processing such claims for the federal government often require much greater detail imposing substantial recordkeeping and reporting burdens on small equipment suppliers.

3. **National Landscape Conservation System, proposed rule to implement Antiquities Act:** Department of Interior is developing rules for creating land management plans for national monuments designated under the Antiquities Act. Small businesses and nearby rural communities are concerned that these plans will not properly assess the economic impact of management decisions pursuant to the Regulatory Flexibility Act.

4. **Birth and Adoption Unemployment Compensation, 20 C.F.R. Part 604:** Authorizes states to utilize unemployment compensation for funding parental leave to care for newborns or newly adopted children. Forcing small businesses to subsidize leave of employees from larger companies when they are exempt under the Family and Medical Leave Act. This imposes substantial economic burdens on small businesses without providing any them any benefits whatsoever.

5. **Lead in Construction Standard, 29 C.F.R. § 1926.62:** Establishes requirements

to reduce exposures to lead in the construction industry. For home remodelers working on homes constructed after 1977, there is no possibility of exposure to lead-based paints because they were banned for home use. Therefore, small businesses face additional costs even though they face no hazard from exposure to lead.

6. **Sling Standard, 29 C.F.R. § 1910.184:** Regulations establish requirements for using slings to lift heavy loads. The regulations do not conform to current industry practices which are much safer and impose disproportionate burdens on small businesses.

7. **Recordkeeping for Work-Related Injuries, Illnesses and Fatalities, 29 C.F.R. Part 1904:** Regulations require employers to record and report work-related injuries, illnesses, and fatalities. The biggest problem with these regulations is the ambiguous definition of work-related injuries and the problems that small entities face in determining whether to record a particular injury. This imposes substantial costs on small entities with little or no benefit to worker protection.

8. **Hours of Service for Commercial Motor Vehicles, 49 C.F.R. Parts 350, 390, 394-95, 398:** The proposed rule would impose stringent standards on the hours-of-service of operators of CMVs. Small businesses, from soft drink distributors to tour bus companies, will face substantial costs even though the recommended changes may not improve road safety. In particular, the Committee is concerned that the original proposal did not comply with the Regulatory Flexibility Act.

9. **Hazardous Materials Training Requirements, 49 C.F.R. § 172.704 and 29 C.F.R. § 1910.120:** Both OSHA and the DOT require training for employees handling hazardous materials. For small businesses that transport hazardous materials, this is the type of duplicative regulation that the Regulatory Flexibility Act was designed to eliminate. Compliance with the RFA would have reduced regulation on small businesses while still ensuring that workers understood how to handle hazardous materials.

10. **Monthly Tax Deposits, 26 C.F.R. § 31.6302(g):** Business with more than $50,000 in aggregate employment taxes must make those deposits by the 3d day after payment. Given inflation and the overall rise in salaries, many small businesses are faced with making the three day payment whereas very small businesses, have 15 days to make payments. The universe of "very small businesses" to reduce burdens on small businesses.

11. **Definition of Solid Waste, 40 C.F.R. § 261.2:** Given the current definition of waste under RCRA, recycled materials that are used as feedstock in industrial processes still are considered waste. This prevents manufacturers from using recycled materials as a substitute for raw material feedstock thereby raising the cost of production. The impact of this regulation falls unduly on small businesses that do not have the margins of profits or the market share that large firms have

to absorb higher feedstock costs.

12. **TRI Alternate Reporting Threshold (Form A), 40 C.F.R. Part 372:** Releases of toxic chemicals must be made to EPA pursuant to the Emergency Planning and Community Right-to-Know Act (EPRCA). Form A is a short form for small dischargers and EPA prevents small dischargers of persistent bioaccumulative toxic chemicals from using Form A even though there is no evidence that many metals are bioaccumulative. This imposes unnecessary costs on small businesses.

13. **TRI Lead, 40 C.F.R. Part 372:** Rule lowered burdens for releases of lead under EPRCA to 100 pounds even though science does not support the lowering. This imposes substantial burdens on small businesses, especially for thousands of businesses that have never even filed a TRI report.

14. **Concentrated Animal Feedlot Operations, Proposed Rule, 66 Fed. Reg. 2959 (Jan. 12, 2001):** Proposed rule would impose discharge standards on thousands of new feeding operations (many of which are small businesses) that were not previously considered subject to the Clean Water Act's National Pollution Discharge Elimination permit system. EPA's assessment of impacts under the RFA were substantially inadequate.

15. **Stormwater Construction General Permit, 40 C.F.R. § 122.26:** Oil and gas exploration facilities are exempt from stormwater pollution permitting requirements. Nevertheless, EPA is planning to issue a general permit that would require oil and gas exploration facilities do file a permit. Many small oil and gas exploration companies will face significant costs in compliance.

16. **Effluent Guidelines for Metal Products and Machinery, Proposed Rule, 66 Fed. Reg. 424 (Jan. 3, 2001):** Proposed rule would combine numerous metal products into one classification for purposes of the NPDES permit system. The RFA analysis did not adequately assess the costs on small businesses and, in fact, assumes benefits based on technology that is not achievable – a violation of the Clean Water Act.

17. **Regulations Implementing the Real Estate Settlement Procedures Act:** HUD has proposed changes to the regulations governing the Real Estate Settlement Procedures Act. Many small businesses are concerned that the packaging of settlement costs by a single lender could force many small businesses involved in the real estate settlement process out of the business. Furthermore, many small businesses believe that the regulatory flexibility analysis prepared by HUD was inadequate.

18. **Commercial Mail Receiving Agencies, 39 C.F.R. Part 111:** Final rule requires all Commercial Main Receiving Agencies to use the designation PMB or # in their address. Small businesses use CMRAs to give a sense that they are actually larger or more sophisticated than they appear because many businesses do not

want to utilize home office businesses. The USPS rationale for the rule – prevention of fraud – is not supported by the evidence.

19. **Policy Guidance on the Prohibition Against National Origin Discrimination as it Affects Persons with Limited English Proficiency:** Guidance document requires physicians to provide translation services to patients whose first language is not English. In many cases, the reimbursement for Medicare/Medicaid patients may not cover the cost of these translation services. And in certain rural areas, translators may not be available. This is the type of guidance document that should have been assessed under E.O. 12,866 and the RFA.

20. **Excise Taxes and Definition of Highway Vehicles, Proposed Rule, 67 Fed. Reg. 38,913:** IRS proposed rule would eliminate the exemption for special mobile machinery from highway trust fund excise taxes. IRS failed to comply with the RFA by not examining the impact of this regulatory change on small businesses.

21. **Triennial Review under the Telecommunications Act of 1996:** FCC could implement changes to existing regulatory requirements that would affect the ability of competitors to challenge incumbents, particularly in the small business market. Given the past history of FCC rulemaking, it is conceivable that the FCC will not properly assess the impact of the changes on small businesses.

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515

February 14, 2003

The Honorable Tom Davis, Chairman
House Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

In response to your letter of February 4, 2003, we are enclosing herewith the oversight plan for the Committee on Standards of Official Conduct for the 108th Congress.

While, as Chairman and Ranking Minority Member of the Committee, we have approved this plan, the plan has not yet been adopted by the full committee in accordance with House Rule X, clause 2(d)(1), in that the entire committee membership has not yet been appointed. It is our intention to present this plan for committee approval at its first meeting. We will advise you when action is taken by the full committee.

Sincerely,

Joel Hefley
Chairman

Alan B. Mollohan
Ranking Minority Member

U.S. House of Representatives

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT

Washington, DC 20515

OVERSIGHT PLAN

108th Congress

February 14, 2003

The oversight plan of the Committee on Standards of Official Congress for the 108th Congress, adopted pursuant to clause 2(d)(1) of House Rule X, is as follows.

The Standards Committee is in the unusual circumstance that while its legislative jurisdiction is confined to the House Code of Official Conduct (House Rule XXIII),[1] the Committee itself administers a range of ethics laws, rules and standards for House Members, officers and employees, as well as, in some instances, certain other Legislative Branch officials. A brief summary of the various provisions of law and rules that confer such responsibility and authority upon the Committee is provided below. In addition, among the functions assigned to the Committee in the House Rules are –

- To recommend to the House "such administrative actions as it may consider appropriate to establish or enforce standards of official conduct" for Members and staff, and

- To investigate alleged violations by Members or staff of the House Code of Official Conduct or other law, rule or standard of conduct applicable to official conduct.[2]

Furthermore, under the Ethics Reform Act of 1989, the Committee is charged with providing to House Members and staff, through its Office of Advice and Education, information and guidance on the applicable ethics laws and rules, and responding to their questions on the application of the laws and rules in particular circumstances.[3]

In fulfilling its responsibilities, as summarized above, the Committee deals directly with the various laws and rules in its jurisdiction on virtually a daily basis. These include rules on acceptance of gifts, the limitations on outside earned income and employment, the prohibition against private subsidy of official House activities, and the rules on proper use of official House resources and proper use of campaign resources.

Accordingly, in the fulfillment of its regular duties, instances in which a change in a law, rule or Committee interpretation may be in order come to the Committee's attention. When such instances arise, the Committee's practice is to propose appropriate

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[1] House Rule X, cl. 1(p).
[2] House Rule XI, cl. 3(a)(1), (2).
[3] 2 U.S.C. §29(d)(i).

amendments to statutory law or the House Rules, or, where the change is one that can be made by the Committee on its own authority, to effect an appropriate change.

Thus, for example, in the 107th Congress, the Committee both made a change in Committee policy and proposed changes in statutory law and the House Rules for the purpose of granting Members discretion to use funds of their principal campaign committee to pay certain kinds of congressional expenses.[4] The changes in the House Rules and statutory law that the Committee had proposed were not effected in the 107th Congress, but the Committee will continue to advocate those changes in the 108th Congress. As another example, in September 2002 the Chairman and Ranking Minority Member submitted comments to the Federal Election Commission in its rulemaking under the Bipartisan Campaign Reform Act that concerned, in part, the rules on impermissible personal use of campaign funds and use for federal officeholder purposes.[5]

In the 108th Congress, the Chairman and Ranking Minority Member intend to supplement the Committee's normal oversight-related activities by establishing an ad hoc committee of Members with expertise in the ethics laws and rules, the purpose of which would be to propose any changes, clarifications or updates that they believe would be in order. Among the specific purposes of the ad hoc committee would be to identify any laws or rules that the members believe are, in the terms of the House Rule on oversight responsibilities, "ambiguous, arbitrary, or nonsensical."[6]

Provisions of the House Rules and Statutory Law that Confer Specific Authorities on the Committee

- The House gift rule (House Rule XXV, cl. 5) provides, in paragraph (f), that its provisions are to be interpreted and enforced solely by the Committee.

- House Rule XI, cl. 3(b)(7) provides that the Committee is to have the functions designated in titles I and V of the Ethics in Government Act of 1978 (relating to financial disclosure and the outside earned income and employment limitations), 5 U.S.C. §§7342 (the Foreign Gifts and Decorations Act), 7351 (on gifts to superiors), and 7353 (on gifts to Federal employees), and House Rule X, cl. 11(g)(4) (on unauthorized disclosure of intelligence).

- Provisions of the financial disclosure statute designate the Committee as the "supervising ethics office" for House Members, officers and employees and certain other Legislative Branch officers and employees (5 U.S.C. app. 4 §109(18)(B)) and state that the statute is to be administered by the Committee with regard to those Members, officers and employees (*id.* §111(2)). The

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[4] *See* the Committee's Advisory Memorandum to All Members, Officers and Employees of May 8, 2002, and the Committee's activities report for the 107th Congress, H. Rep. 107-799, 107th Cong., 2d Sess. (2003) at p. 7.

[5] *See* Federal Election Commission Notices 2002-15 and 2002-25.

[6] House Rule X, cl. 2(d)(1)(B).

Committee also reviews the financial disclosure statements filed by candidates for the House.

- A provision of the statute establishing the outside earned income and employment limitations states that those limitations are to be administered by the Committee with respect to House Members and staff, as well as certain Legislative Branch officers and employees (5 U.S.C. app. 4 §503(1)).

- For certain purposes under the Foreign Gifts and Decorations Act, the Committee is designated as the "employing agency" of House Members and staff (5 U.S.C. §7342(a)(6)).

- Both the Committee and the House of Representatives are designated as the "supervising ethics office" of House Members, officers and employees in the statute that governs gifts to Federal employees (5 U.S.C. §7353(d)(1)(A)), as well as the statute on gifts to superiors (*id.* §7351(c)). Those statutes also designate the Committee as the supervising ethics office for certain other Legislative Branch officers and employees (*id.* §7353(d)(1)(E)).

Joel Hefley
Chairman

Alan B. Mollohan
Ranking Minority Member

U.S. House of Representatives
Committee on Transportation and Infrastructure

Don Young
Chairman

Washington, DC 20515

James L. Oberstar
Ranking Democratic Member

Lloyd A. Jones, Chief of Staff
Elizabeth Megginson, Chief Counsel

David Heymsfeld, Democratic Chief of Staff

February 13, 2003

The Honorable Tom Davis, Chairman
Committee on Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

Pursuant to Rule X, 2(d)(1) of the Rules of the House of Representatives, I am submitting the Oversight Plan for the Committee on Transportation and Infrastructure that was approved by the Full Committee on Wednesday, February 12, 2003.

If you should need any further information, please don't hesitate to contact me.

With warm regards, I am

Sincerely,

DON YOUNG
Chairman

Enclosure

Oversight Plan for the 108th Congress
Committee on Transportation and Infrastructure
February 12, 2003

Full Committee Oversight

The oversight and investigation functions of the Committee on Transportation and Infrastructure are vested at the Full Committee level. Oversight and investigation activities will be coordinated between the Full Committee and the Subcommittees.

This structure will facilitate oversight on topics that cut across the jurisdiction of several Subcommittees as well as provide assistance to the Subcommittees. For example, transportation congestion improvement through streamlining project approvals while preventing environmental degradation is a subject that cuts across the jurisdiction of several Subcommittees. Road, rail, sea, and air transportation are all experiencing congestion and gridlock. A coordinated oversight agenda can facilitate defining the causes and fashioning multi-modal solutions and reforms to relieve congestion problems.

The Full Committee orientation will target the use of oversight resources to initiate actions to expose and eliminate any waste or fraud and improve the operation of government agencies under the jurisdiction of the Committee. This structure will also initiate reviews of laws, programs, and policies within the Committee's jurisdiction as required by the Rules of the House of Representatives.

Full Committee oversight and investigation issues include:

1. **Satellite Utilization.** The Committee is interested in an assessment of existing satellite infrastructure and utilization as it relates to the Transportation and Infrastructure Committee's responsibilities throughout the country, including an inventory of U.S. satellites, both government and private/commercial. The Committee is interested in assessing the inventory that has been launched and where current excess operation capacity exists.

   If the current satellite capacity is under utilized it may provide an opportunity to address several critical issues facing the traveling public and the agencies under the Committee's jurisdiction. Areas of responsibility within the Committee on Transportation and Infrastructure uniquely affected by satellite utilization include: tracking cargo on an intermodal basis for security and safety; providing communications for the traveling public, air carriers, and the federal Air Marshals; management of the national airspace; and navigation infrastructure.

2. **Department of Homeland Security (DHS) Integration with Intelligence Community.** The Committee will review how well agencies, under the Committee's jurisdiction, that have been transferred to DHS, are integrating with other intelligence agencies, including the Central Intelligence Agency (CIA) and the Federal Bureau of Investigation (FBI), particularly concerning the issue of information sharing. Because DHS is a new entity and the transition is in its infancy, we expect to focus on integration challenges and recommendations for success, as well as an analysis of how well DHS is planning and positioning itself to effectively perform this integration.

3. **DHS Integration of Accounting and Internal Information Systems.** The General Accounting Office (GAO) identified in a December 2002 Report, the management challenges DHS faces in integrating the various information systems currently used by the entities transitioning to the new Department. Each of these entities is coming to the new Department with its own accounting and information technology (IT) infrastructure, hardware and software. The agencies under the Committee's jurisdiction that have been transferred to DHS have struggled with integrating their own systems; a challenge now magnified by bringing these entities into one organization. The Committee is interested in analyzing the extent to which DHS is prepared to meet this challenge and what the Department is doing to create organizational efficiency through integration of financial management, contract oversight, and data warehousing systems.

4. **Maintaining Continued Attention for Non-Security Organizational Objectives.** The Committee recognizes that DHS is composed of agencies and organizations that were selected because of their common homeland security objectives. However, many of these entities, including Coast Guard and FEMA for which the Committee has jurisdiction, have missions that include important objectives other than homeland security. The Committee is interested in ensuring that these objectives, such as the Coast Guard's search and rescue, will not be overlooked or disregarded at DHS as it focuses on its primary mission of homeland security. Accordingly, we will continue oversight of DHS plans and actions to date as well as their future plans.

5. **DOT air carrier fitness determinations.** In recent years, there has been concern about the process and criteria used by the Department of Transportation (DOT) in conducting air carrier fitness evaluations, and related citizenship issues. The Committee will continue to conduct oversight of the Department's process to ensure open and objective reviews of these issues.

Subcommittee on Aviation

1. **Funding of the Federal Aviation Administration (FAA).** Airline passenger taxes that fund the FAA were increased in 1997. A legislative mandated commission recommended that FAA's funding and financing system receive a budget treatment ensuring that revenues from aviation users and spending on aviation services be directly linked and shielded from discretionary budget caps. This policy was codified in the AIR 21 legislation (P.L. 106-181). The Subcommittee wants to continue to ensure the taxes that aviation users pay are actually returned to them in the form of aviation infrastructure improvements as required by AIR 21. Hearings will examine the implementation of AIR 21 and overall FAA funding needs.

2. **Safety programs.** The Subcommittee has held several safety hearings and will continue its oversight in the new Congress. Issues to be addressed include aircraft maintenance and vigorous FAA oversight of that maintenance with a particular focus on the FAA's Air Transportation Oversight System (ATOS) and its designee program.

3. **Security programs**. Shortly, after the September 11th attack, the Aviation and Transportation Security Act (ATSA) was enacted. This legislation transferred security responsibility to a new agency, the Transportation Security Administration (TSA), and included directives for improving security. The Homeland Security Act transferred this agency to the new Homeland Security Department and established an arming pilots program. Oversight of this agency and the implementation of its directives will continue, mostly through a series of classified briefings.

4. **FAA organization.** Some reforms of the FAA were made in AIR 21 and other recent legislation but most have not been fully implemented. Most notable were the changes in the agency's personnel and procurement systems and the creation of a Management Advisory Council with its Air Traffic Subcommittee and a Chief Operating Officer position. Oversight of the implementation of these reforms is planned and additional reforms will be considered.

5. **Evaluation of FAA's facilities and equipment program.** Since the early 1980's, the FAA has been trying to modernize the computers, radars, and navigation systems that make up the air traffic control system. This effort has been behind schedule and over budget. The Committee will examine the FAA's air traffic control facilities and equipment program known as the Capital Investment Plan with a focus on air traffic control modernization, the Global Positioning System (GPS), Standard Terminal Automation Replacement System (STARS), Oceanic modernization, and free flight.

6. **Oversight of Office of the Secretary.** The Office of the Secretary within DOT inherited several aviation functions when the Civil Aeronautics Board was abolished. Hearings may be held to evaluate various DOT programs affecting aviation including slots, essential air service, competition, alliances and international air service.

7. **Oversight of the National Transportation Safety Board (NTSB).** Authorization for the NTSB expired in 2002. A reauthorization bill passed the House in 2002 but was not enacted. A new bill will have to be introduced in 2003. This could be preceded by oversight hearings or the Subcommittee could rely on the hearings held previously last year.

8. **Airline financial condition and passenger service.** Since September 11th, concern over passenger service has been a lower priority while concern with the financial condition of the airline industry has become a higher priority. The Air Transportation and System Stabilization Act was enacted to stabilize the airline industry as a whole, but they continue to lose money. However, when the economy improves, passenger complaints about delays, cancellations, overbooking and poor customer service could rise again as passenger traffic rebounds. The Subcommittee will continue to examine ways to maintain the airline industry and may refocus its attention on service issues if they become a priority again.

Subcommittee on Coast Guard and Maritime Transportation

1. **Maritime Transportation Security Act of 2002.** The Maritime Transportation Security Act of 2002, Public Law 107-295, establishes a comprehensive national system to increase transportation security for our ports and waterways. The goal of this legislation is to deter terrorist attacks against ocean shipping without adversely affecting the flow of U.S. commerce through our ports. Public Law 107-295 requires the Coast Guard to conduct vulnerability assessments of U.S. ports. The results of the assessments will be used to implement a national maritime transportation security planning system, consisting of a comprehensive national plan, specific area plans, and local vessel and marine facility plans. This Act also establishes a requirement for the Coast Guard to assess the effectiveness of security systems in certain foreign ports, and to deny entry to vessels from ports that do not maintain effective security. The Maritime Transportation Security Act of 2002 also authorizes grants for enhanced facility security at U.S. ports for the next six fiscal years. These grants will help cover the costs of port security improvements and fund research and development projects to determine which technologies will improve port security. This new Federal law contains other important security enhancements concerning shipping container security, enhanced vessel crewmember identification, Coast Guard sea marshals, and vessel transponders to track the movement of vessels in U.S. waters.

The Coast Guard is required to implement the provisions of P.L. 107-295 in a relatively short time period. The Subcommittee plans to hold oversight hearings during the 108th Congress to assess the Coast Guard's implementation of this new law. The Subcommittee also plans to investigate the state of maritime security in the U.S. and the International Maritime Organization's efforts to implement a new international maritime security framework.

2. **Coast Guard's Move to the Department of Homeland Security.** On November 25, 2002, the President signed into law the Homeland Security Act of 2002, Public Law 107-296, which creates the new Department of Homeland Security. Under this legislation, the Coast Guard is scheduled to be transferred to the new Department on March 1, 2003. Public Law 107-296 requires the Coast Guard be kept as a distinct agency and the Commandant of the Coast Guard report directly to the new Secretary of Homeland Security. Functions not related directly to securing the homeland will continue to be allocated to those agencies in which the functions are currently incorporated. The Subcommittee plans to oversee the Coast Guard's move to the Department of Homeland Security, and review how this move affects the Coast Guard's non-security missions.

3. **Major Coast Guard Vessel and Aircraft Acquisition Project—Deepwater**. The Coast Guard is currently engaged in a major vessel and aircraft acquisition project to replace its aging fleet of vessels and aircraft employed more than 50 miles from U.S. shores. This project, the Deepwater Capability Replacement Project, involves replacing or modernizing many of the Coast Guard's 92 ships and 209 airplanes and helicopters. On June 25, 2002, the Department of Transportation announced the award of a contract valued at $11 billion for a fleet of new ships and aircraft, plus improved command and control systems, to meet the Coast Guard's homeland security and other mission needs. In addition, the contract includes approximately $6 billion for operating and maintaining this new system of assets. The Subcommittee will review the implementation of the Coast Guard's Deepwater acquisition project with a particular interest in the specific assets to be acquired and the overall cost of the project.

4. **National Invasive Species Act.** The National Invasive Species Act of 1996, Public Law 104-332, amended the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990. The 1990 Act established a program for preventing, researching, monitoring and controlling infestations of nonindigenous aquatic species and set up the Aquatic Nuisance Species Task Force to oversee the program. It also required the Coast Guard to establish voluntary ballast water exchange guidelines for the Great Lakes, which later became mandatory. The 1996 Act established a national ballast water exchange program to address concerns about the unintentional introductions of aquatic nuisance species in many parts of the country.

The Coast Guard is developing standards against which to measure the effectiveness of technology in eradicating invasive species in a ship's ballast. Research is being conducted in cooperation with vessel operators to test the latest technological advances.

The Coast Guard recently issued proposed regulations which would establish penalty provisions for vessel operators who fail to submit Ballast Water Management Reports to the Coast Guard as required by law. The Coast Guard also proposes widening the applicability of the reporting and record keeping requirements to all vessels bound for ports or places within the United States. The Coast Guard believes that these new proposals will increase its ability to protect against introduction of new aquatic invasive species via ballast water discharges. The Subcommittee plans to closely follow the Coast Guard's efforts to reduce the number of aquatic invasive species entering U.S. waters.

5. **Coast Guard Drug Interdiction Program.** The Anti-Drug Abuse Act of 1986 and the Anti-Drug Abuse Amendments Act of 1988 expanded the Coast Guard's basic law enforcement authority under title 14, United States Code, to interdict drugs on the water and in the air. The Commandant of the Coast Guard currently serves as the Federal Drug Interdiction Coordinator, overseeing the drug interdiction activities undertaken by the U.S. Customs Service and the Department of Defense, as well as the Coast Guard. The Subcommittee has been involved in oversight of the President's National Drug Control Policy, and specifically, the Coast Guard's role in furthering that policy.

   The Subcommittee will continue to exercise oversight of the Coast Guard's drug interdiction mission to ensure that Coast Guard resources are employed most effectively to reduce the supply of illegal drugs in this country. It is essential that the Coast Guard be sufficiently funded to protect America from this growing threat.

6. **National Distress and Response System Modernization Project – "RESCUE 21".** The National Distress and Response System provides two-way voice communication coverage for the majority of Coast Guard missions in coastal areas and navigable waterways where commercial and recreational traffic exists. The system, built in the 1970's, consists of approximately 300 remotely controlled VHF analog transceivers and antenna sites. The current system was intended to provide 100 percent VHF-FM continuous coverage extending out 20 nautical miles from the U.S. shore around the Atlantic, Pacific, Gulf of Mexico and Great Lakes coasts. However, the current system has numerous gaps in coverage throughout the U.S. On September 24, 2002, the Coast Guard awarded a $611 million multi-year contract to modernize the National Distress and Response System.

Currently, the Coast Guard plans to complete the National Distress and Response System Modernization Project or "RESCUE 21" in fiscal year 2006, but is evaluating the feasibility of accelerating the project. The Subcommittee will continue to monitor the Coast Guard's progress in this project and consider ways to accelerate acquisition of the system

7. **Recreational Boating Safety.** Under Section 4310 of Title 46, United States Code, the Coast Guard may require manufacturers of boats and engines to notify owners and to recall, repair, or replace products that contain defects which create a substantial risk of personal injury to the public or which fail to comply with an applicable U.S. Coast Guard safety standard. Manufacturers are required to notify all dealers and distributors of the recreational vessel or associated equipment of the defect.

   In September 2000, the National Institute for Occupational Safety and Health issued a study about houseboat carbon monoxide deaths on Lake Powell in Arizona. Nine deaths on Lake Powell in the previous six years had been attributed to carbon monoxide poisoning. On February 23, 2001, the Coast Guard began issuing mandatory recall notices to houseboat manufacturers who may have built vessels equipped with swim platforms and electrical generator exhaust systems vented into a stern cavity. The houseboat industry has been working with the Coast Guard and recreational boating safety and manufacturing associations to explore new technologies and methods to further reduce generator carbon monoxide hazards.

   The Subcommittee will continue to follow the state of recreational boating safety in the United States.

8. **Oil Pollution Act of 1990.** The Oil Pollution Act of 1990 (OPA '90), Public Law 101-380, was enacted on August 18, 1990, in response to the EXXON VALDEZ oil spill in Prince William Sound, Alaska. OPA '90 provides a comprehensive system of oil spill prevention, response, compensation, and penalties.

   The Subcommittee plans to continue oversight over the Oil Pollution Act and other environmental laws enforced by the Coast Guard as part of its environmental protection program. The Subcommittee will also follow the European Union's efforts to increase the regulation of oil tankers in European waters following the sinking of the PRESTIGE, a fuel oil tanker, off the coast of Spain.

Subcommittee on Economic Development, Public Buildings and Emergency Management

1. **GSA Brokerage Contracts.** A recent report of the General Services Administration (GSA) Inspector General's office has indicated several management weaknesses in the contract administration of GSA's brokerage contracts. These contracts are the vehicles by which GSA provides real property services to dozens of clients across the country. GSA currently has approximately 32 such contracts in place with small, medium, and large companies providing services in a variety of markets. One of the key findings of the report is that there was little or no oversight of the billing on these contracts, and in many cases oversight was left to the contractor themselves. The Subcommittee will continue to work with the Inspector General and the Public Buildings Service in an attempt to rectify the existing situation, address some of the systemic weaknesses, and identify solutions prior to GSA signing several unified national brokerage contracts.

2. **Real Property Management.** Over the past several years, GSA has become increasingly interested in improving the management of its real property assets across the country through the use of enhanced property management tools. These include outleasing, public-private partnerships, and the sale or disposal of under-performing properties. The Subcommittee held hearings on this issue in 1999 and in 2002, and will continue to closely monitor this issue as well as considering the passage of legislation granting this authority on a limited basis to GSA.

3. **National Capital Region.** The Subcommittee will continue to meet regularly with representatives of the GSA National Capital Region to discuss a variety of ongoing projects and issues. Among these are: the use of the Old Post Office Pavilion, the development of the Southeast Federal Center, the lease acquisition of a new headquarters for the Department of Transportation, the potential development of the St. Elizabeth's Hospital Campus, in addition to several other smaller development and construction projects.

4. **Capital Investment and Leasing Program.** As part of the Committee's annual work to review and authorize GSA's requests for authority to repair, alter, construct and lease property for use by federal agencies, the Subcommittee will review each prospectus presented to the Committee and recommend approval only after the Subcommittee is satisfied that the requests are cost-effective and in the best interest of the government.

5. **Administrative Office of the Courts five-year priority plan.** The Subcommittee will continue its ongoing review of courthouse construction, and the five-year plan as proposed by the Administrative Office of the Courts (AOC). This effort will be in conjunction with the Courts' internal review of the comprehensive plan. When reviewing this plan, the Subcommittee examines projects based on need, cost-

effectiveness, caseload, security, and functionality of Judiciary space. Additionally, the Subcommittee will continue its oversight of the AOC's courtroom-sharing policy.

6. **Homeland Security Headquarters.** At the end of the 107th Congress, the Administration requested approval of a prospectus authorizing the lease of up to 575,000 rentable square feet to house the headquarters of the Department of Homeland Security (DHS) for up to 10 years. Authorization of this prospectus was included in a continuing resolution passed by Congress. At least for an interim period, the DHS headquarters is located in Northwest Washington. The Subcommittee intends to closely monitor any GSA proposal to acquire additional space for DHS.

7. **Kennedy Center - Construction of the Garage Expansion.** During the 105th Congress, legislation was enacted authorizing the Kennedy Center to expand its underground parking garage, using tax-free revenue bonds, and a specific restriction on the use of appropriated funds. The cost-estimate used by the Committee for this project was $30 million. Recent reports by the Kennedy Center indicate that the final cost will be substantially higher. The Subcommittee has written to GAO to begin an investigation and intends to closely review the project's financing and progress to determine if any failures led to the dramatic increase in cost, and to ensure that no appropriated funds were used in the construction of the project.

8. **Kennedy Center - Plaza Construction.** During the 107th Congress, the Congress passed legislation authorizing the construction of a plaza adjacent to the Kennedy Center. This plaza, which would create approximately 8 acres of land, will house two additional buildings, providing much needed space for Kennedy Center activities. The Subcommittee intends to closely monitor the initial stages of the process leading up to construction, including the selection of a project manager, the signing of a memorandum of agreement with all involved parties, and the transfer of land from the District of Columbia. Additionally, questions were raised at the end of the last Congress about the process used in selecting an architect for development of the new buildings which are to be located on the plaza. The Subcommittee intends to review all major decisions to ensure the best use of funds for this project.

9. **Architect of the Capitol.** The Subcommittee will continue ongoing oversight of several projects being undertaken by the Architect of the Capitol, included among these are the demolition and redevelopment of the O'Neill House Office Building site, construction of the Capitol Visitors Center, acquisition and construction of a command and control center, as well as the development of a Master Plan for the Capitol Complex.

10. **Smithsonian Institution Facilities Assessment.** The Subcommittee will continue ongoing oversight into the acquisition, construction and use of local and remote museum, research and storage facilities of the Institution.

11. **Economic Development Administration (EDA).** Last authorized in 1998, the Subcommittee will conduct extensive oversight of the EDA and its programs in preparation for reauthorization. The Subcommittee will focus on several areas including the recent emphasis on strict enforcement of existing regulations and procedures, the request by the Administration for authority to reorganize the agency and reprogram funds, and the development of new performance criteria to better measure the effectiveness of programs.

12. **Delta Regional Authority (DRA).** The Subcommittee held a hearing on the Delta Regional Authority during the 107th Congress to look into questions that the DRA is not achieving full functionality and that there were some inequities in the distribution of federal funds. The Subcommittee will continue to monitor the progress of the DRA in its development and their progress in distributing funds.

13. **Federal Emergency Management Agency (FEMA) - Transition to the Department of Homeland Security.** As a part of the Homeland Security Act of 2002, the Federal Emergency Management Agency was incorporated into the new Department of Homeland Security as the bulk of the Emergency Preparedness and Response Directorate. The Subcommittee intends to closely monitor the incorporation of FEMA into the new Department to ensure that the effectiveness of its disaster preparedness, response and recovery programs does not diminish. The Subcommittee will also examine the incorporation of the new Department into the existing Federal Response Plan to ensure the efficacy and coordination of the federal response.

14. **Federal Emergency Management Agency - Hazard Mitigation Grant Program.** Under present law, HMGP grants are awarded to States on a formulaic basis following a disaster. A state may be eligible for up to 15 percent of the total amount spent on disaster recovery for future mitigation activities. The Administration has proposed changing the program to focus more of the grant awards on a competitive basis. The Subcommittee will review the hazard mitigation program.

15. **Federal Emergency Management Agency - Response to September 11th attacks.** The September 11th attacks on America resulted in a tremendous response from the Federal government. Thousands of employees of dozens of agencies were mobilized to respond and provide emergency services. Criticism has arisen about the effectiveness and coordination of this response and the delivery of donated goods and funds. In addition, a number of issues dealing directly with FEMA's response will be looked at as well. The Subcommittee intends to closely look at these issues and work with the Administration to ensure that the proper procedures are in place for the future.

Subcommittee on Highways and Transit

1. **Particulate Matter.** The Subcommittee will continue to follow the progress of new particulate matter standards expected to be issued in the 1st session of the 108th Congress.

2. **Driver's License Security.** The Subcommittee will continue to oversee the extent to which the procedures employed by states in issuing driver's licenses are secure, and sufficient to avoid criminal acquisition of a license. This also includes examining the problems associated with an integrated national driver's license system.

3. **Surface Transportation Security.** When the Transportation Security Administration (TSA) moves to the new Department of Homeland Security in March 2003, its physical link to Department of Transportation (DOT) agencies will be lost. However, TSA is charged in the Aviation and Transportation Security Act of 2001 (P.L. 107-71) with responsibility for security in all modes of transportation. The Subcommittee will review and evaluate how TSA coordinates with the DOT agencies that are remaining within the Department of Transportation that have security functions. The TSA and DOT agencies are developing Memoranda of Agreement to outline security standards, policy, and implementation and how the roles and responsibilities of the agencies (Federal Highway Administration, Federal Motor Carrier Safety Administration, Federal Transit Administration, and Research and Special Programs Administration) will be affected, including impacts on resources, operational issues, and rulemaking processes.

4. **New Entrants Program.** On January 1, 2003, the Federal Motor Carrier Safety Administration (FMCSA) implemented the New Entrant Program requiring all motor carriers applying for new registration to operate in interstate commerce. A major part of this program is to conduct a safety audit within 18 months of each carrier's start of operations. The safety audit is more of an educational contact with no enforcement associated with it. The Subcommittee is concerned the FY 2003 budget does not contain resources sufficient to conduct this program. In light of the estimated 40,000 new entrants every year, FMCSA intends to use a combination of federal and state personnel to implement this resource-intensive activity. The Subcommittee will conduct oversight to determine if a reduction in federal/state safety and enforcement activities is caused by implementation of the New Entrants Program.

5. **Commercial Driver's License (CDL).** The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) is attempting to use the Safe Explosives Act of 2002 (SEA) to extend its authority to conduct background checks of commercial motor vehicle (CMV) drivers who transport explosives. The U.S. Department of Transportation (DOT) already requires all employers of CMV drivers to conduct

background employment and driving record checks on each employee they intend to hire. In addition to that, the USA PATRIOT Act requires the DOT to conduct criminal background checks of all individuals who are applying for a hazardous materials endorsement for their CDL. The ATF is concerned that the background checks required by the DOT are not sufficient and plans to extend its authority to CMV drivers under the provisions of the SEA. The Subcommittee will examine the authority of both the DOT and the ATF and determine if the background checks required by the DOT are inadequate.

6. **Hours of Service.** The FMCSA intends to publish a final rule with an effective date of October 1, 2003 changing the hours-of-service requirements and limitations for all interstate motor carriers. The FMCSA published a Notice of Proposed Rule Making (NPRM) on this rule in 1997 and received more than 100,000 comments from all aspects of the motor carrier industry, state law enforcement officials, and safety advocacy groups. The FY 2001 Transportation Appropriations Act prohibited funds from being used to complete the rulemaking. Since the issuance of the NPRM, the FMCSA has conducted work on this new rulemaking without contacting any of the groups who commented on the original NPRM. Any oversight by the Subcommittee will be based on the Final Rule after it is published.

7. **Highway Fuel Tax Evasion.** The Subcommittee will investigate the extent to which highway fuel tax evasion effects highway trust fund revenues. The Subcommittee will also examine ways to close loopholes that allow criminals to avoid paying taxes on highway fuels and ways to encourage states to increase enforcement in this area.

8. **Household Goods.** The Subcommittee will investigate the enforcement activities of the FMCSA on the household goods industry including the selection of carriers for investigations, the on-line complaint register, and the progress of a new rulemaking designed to increase the accountability of household good movers.

Subcommittee on Railroads

1. **Railroad Infrastructure Programs.** The Subcommittee will review and may hold hearings on the Department of Transportation's implementation of rail infrastructure programs authorized in the Transportation Equity Act for the 21st Century (TEA-21). The implementation subjects to be monitored by the Subcommittee include the Title V Railroad Infrastructure Finance (RRIF) direct and guaranteed loan program for rail and rail-intermodal infrastructure improvements. The Committee will examine the RRIF loan program closely, in light of the complete absence of any actual loan approvals more than three and a half years after enactment of TEA-21 and only a few loans during the past year. The Subcommittee will also examine reauthorization of the Swift Rail Development Act. The current authorization for this general fund grant program for pre-

construction high-speed rail corridor planning and technology development expired at the end of FY 2001. A reauthorization of the Swift Act will be included in the reintroduced Rail Infrastructure Development and Expansion Act for the 21st Century (RIDE 21).

2. **DOT Fiscal Year 2004 and 2005 Budgets.** The Subcommittee will review and evaluate the fiscal year 2004 and fiscal year 2005 budget proposals for the Federal Railroad Administration, Amtrak, and the Surface Transportation Board.

3. **Reauthorization of the Surface Transportation Board.** The Surface Transportation Board (STB) was established on January 1, 1996, by the Interstate Commerce Commission Termination Act of 1995 (P.L. 105-88) to administer residual functions of the Interstate Commerce Commission. The STB is an independent, three-member agency administratively affiliated with the Department of Transportation. The STB administers the remaining economic regulation of railroads (including rates, inter-carrier access, and mergers) in place after the deregulation embodied in the Staggers Rail Act of 1980. In preparation for the reauthorization of the Surface Transportation Board, the Subcommittee will conduct oversight to examine the functioning of the new Board, and its relationship with the Department of Transportation (including DOT's statutory obligation to provide administrative support to the STB). The initial authorization expired at the end of FY 1998.

4. **Reauthorization of the Federal Railroad Administration's Safety Program.** The authorization for the federal railroad safety laws expired at the end of FY 1998. In preparation for the reauthorization of the rail safety program in 2003, the Subcommittee will conduct oversight on FRA's enforcement and rulemaking activities, as well as on the various laws that govern railroad safety activities.

5. **Reauthorization of Amtrak**. The Amtrak Reform and Accountability Act of 1997 fundamentally altered the statutory charter of Amtrak by freeing Amtrak from a variety of detailed statutory restrictions governing the company's route system, capital structure, labor relations, and corporate governance. At the same time, the 1997 statute established a 5-year "glidepath" of gradually declining funding authorizations, ending with the statutory requirement that Amtrak be completely free of federal operating subsidies at the expiration of the authorization, the end of FY 2002. That requirement was not met. The Committee will be examining the 1997 reform law and possible statutory changes in the next authorization.

Subcommittee on Water Resources and Environment

1. **Environmental Protection Agency (EPA) Clean Water Act and Water Infrastructure Programs.** The Subcommittee may conduct oversight of wastewater treatment and water pollution control funding issues, including levels and sources of funding and management of grant and loan programs; wastewater

security and infrastructure needs; watershed, market, and performance based approaches to regulation; regulatory issues involving total maximum daily loads, water quality standards, effluent limitations, and permitting; data quality issues, and continued efforts to improve the management of combined and sanitary sewer overflows, stormwater, and nonpoint source pollution.

2. **Army Corps of Engineers (Corps) Water Resources Program.** The Subcommittee may review efforts to improve the efficiency and effectiveness of the organization and the management and mission of the civil works program of the Army Corps of Engineers, including the selection, planning, and implementation of water resources projects; financing of harbor and inland waterways infrastructure; and efforts to improve the efficiency, effectiveness, and fairness of the agency's regulatory programs, including those pertaining to wetlands (including the scope and procedural and substantive requirements of the permitting programs) and dredging activities.

3. **EPA -- Superfund/CERCLA and Brownfields.** The Subcommittee may review efforts to improve the efficiency, effectiveness, and fairness of the contaminated site cleanup process and the process of assessing natural resources damages (NRD); review the liability, financing, and settlement mechanisms and procedures under the current Superfund program, including implementation of the Small Business Liability Protection Act; review the role of the States in conducting and financing cleanups; review the relationships among the States, EPA, and other Federal entities in implementing the Superfund program; and review of ongoing Federal, State, and local efforts to revitalize "brownfields," including implementation of the Brownfields Revitalization and Environmental Restoration Act of 2001.

4. **Corps and EPA Regional Water and Ecosystem Restoration Issues.** Oversight may include a review of regional and local projects and controversies involving water quality, water supply, environmental protection, and flood control.

5. **Coast Guard/EPA/Corps National Invasive Species Act.** In cooperation with the Subcommittee on Coast Guard and Maritime Transportation, the Subcommittee may review efforts by various agencies to implement the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990, as amended by the National Invasive Species Act of 1996, the effectiveness of those efforts, and the need for further action to control nonindigenous species.

6. **Tennessee Valley Authority (TVA).** Oversight may include a review of TVA programs, including its energy program and operations in the current and in a less regulated marketplace, and the impact of TVA debt.

7. **Saint Lawrence Seaway Development Corporation (SLSDC).** Oversight may include a review of the efficiency and effectiveness of SLSDC's current

operations and structure, possible improvements in the operation of the Seaway, addressing national security and the economy, and the relation of SLSDC to the St. Lawrence Seaway Management Corporation, its Canadian counterpart.

8. **EPA and Coast Guard Oil Pollution Act (OPA).** Oversight may include a review of the oil spill response, planning, and liability provisions under OPA and the Clean Water Act, and enforcement activities and effectiveness under the oil spill prevention and response laws. Any review will be done in cooperation with the Subcommittee on Coast Guard and Maritime Transportation.

9. **Corps/EPA/National Oceanic Atmospheric Administration (NOAA) Ocean and Coastal Programs and Policies.** Oversight efforts by the Subcommittee may include review of dredged material management and disposal under the Ocean Dumping Act, Water Resources Development Acts, and the Clean Water Act, and various ocean and coastal water quality and shoreline protection issues under the Clean Water Act, Coastal Zone Management Act, Coastal Zone Act Reauthorization Amendments, and Water Resources Development Acts.

10. **Natural Resources Conservation Service (NRCS) Small Watershed Program.** Oversight may include a review of the Small Watershed Program, authorized under P.L. 83-566, and conducted by the U.S. Department of Agriculture's NRCS, including its relation to other conservation, environmental restoration, and flood control efforts.

11. **Government Performance and Results Act and Agency Innovation.** The oversight effort may include a review of agency programs, performance, and results, including efforts to implement the Government Performance and Results Act, and efforts of agencies, such as EPA and the Corps, to improve environmental results by encouraging regulatory innovation, such as market-based approaches and other approaches undertaken by State and local governments.

12. **Oversight of EPA financial management administrative policies, procedures and practices.** EPA's oversight of funded activities has been the subject of several recent GAO reports. Oversight may include a review of EPA's financial management administrative policies, procedures and practices.

REPUBLICANS
CHRISTOPHER H. SMITH, NEW JERSEY, CHAIRMAN

DEMOCRATS
LANE EVANS, ILLINOIS, RANKING

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February 12, 2003

Honorable Tom Davis
Chairman
Committee on Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

The Committee on Veterans' Affairs approved its Oversight Plan for the 108th Congress on February 11, 2003. As required by clause 2(d) of Rule X of the House of Representatives, we herewith transmit a copy of the plan to the Committee on Government Reform.

Sincerely,

Chris Smith
CHRISTOPHER H. SMITH
Chairman

Lane Evans
LANE EVANS
Ranking Democratic Member

CHS:sll

Enclosure

U.S. HOUSE OF REPRESENTATIVES
Committee on Veterans' Affairs

OVERSIGHT PLAN FOR 108th CONGRESS

In accordance with clause 2(d)(1) of Rule X of the House of Representatives, the Committee on Veterans' Affairs on February 11, 2003, adopted its oversight plan for the 108th Congress.

This oversight plan is directed at those matters most in need of oversight within the next two years. The Committee is cognizant of the requirement that it conduct oversight on all significant laws, programs, or agencies within its jurisdiction at least every ten years. To ensure coordination and cooperation with the other House committees having jurisdiction over the same or related laws affecting veterans, the Committee will consult as necessary with the Committee on Armed Services, the Committee on Education and the Workforce, and the Committee on Government Reform.

Oversight will be accomplished through committee and subcommittee hearings, field and site visits by Members and staff, and meetings and correspondence with interested parties. Methods of oversight will include existing and requested reports, studies, estimates, investigations and audits by the Congressional Research Service, the Congressional Budget Office, the General Accounting Office, and the Offices of the Inspectors General of the Departments of Veterans Affairs and Labor.

The Committee will seek the views of veterans' service organizations, military associations, other interest groups and private citizens. The Committee also welcomes communications from any individuals and organizations desiring to bring matters to its attention. A series of joint hearings is scheduled with the Senate Committee on Veterans Affairs at which veterans' service organizations and military associations will present to the committees their national resolutions and agendas for veterans.

While this oversight plan describes the foreseeable areas in which the Committee expects to conduct oversight during the 108th Congress, the Committee and its subcommittees will undertake additional oversight activities as the need arises.

1. **VA-administered Insurance Program.** The Department of Veterans Affairs (VA) administers six life insurance programs under which two million policies with a value of $20 billion remained in force at the end of fiscal year 2002. The committee will examine policy and operational issues VA faces in operating the seventh largest insurance program in the United States.

2. **Non-Service-Connected Pension Program.** The non-service-connected disability pension program provides financial assistance to more than 348,000 low-income veterans. Veterans must have at least 90 days of military service, including at least one day of wartime service, and be totally and permanently disabled for employment purposes as a result of disability not related to their military service, or over age 65. The committee will examine the administration of this program.

3. **Improvements in Timeliness of Claims Processing.** VA provides over $22 billion a year in disability compensation and pension benefits to more than 2.4 million veterans. The Veterans Benefits Administration (VBA) has made many improvements to its operations, including realigning its field offices to improve control of claims and shifting its focus from resource management to workload management. The committee will focus on the General Accounting Office's December 2002 report, *Veterans Benefits: Claims Processing Timeliness Performance Measure Could be Improved* (GAO-03-282).

4. **State of Veterans' Employment and Training.** From May 1997 to June 2001, the General Accounting Office (GAO) issued eight reports criticizing the Veterans' Employment and Training Service, Department of Labor, for deficiencies in performance, management, and strategic planning. Public Law 107-288, the Jobs for Veterans Act, reformed the nationwide veterans' employment and training delivery system, focusing on accountability, flexibility, incentives, and results. Further, Public Law 106-50, the Veterans Entrepreneurship and Small Business Development Act of 1999, increased small business opportunities for veterans and disabled veterans by improving their access to capital, information, and markets. The committee will examine implementation of these two laws.

5. **Troops-To-Teachers.** The Troops-To-Teachers program services as an alternative route to teacher certification for military servicemembers and retirees who seek a second career as a public school teacher. The program is funded by the Department of Education. The committee plans a joint hearing with the Committee on Education and the Workforce. The

committees expect to examine the skills and experience that veterans bring to teaching, as well as the administration of the program.

6. **Role of the Board of Veterans' Appeals in the 21st Century.** The Board of Veterans' Appeals (BVA) is the component of the VA responsible for making the final Departmental decision on behalf of the Secretary in appeals of veterans' benefits claims. Since the advent of judicial review of appeals of veterans' claims in 1988, the essential mission of BVA has remained relatively unchanged. The committee will examine how to most effectively use the Board's expertise and resources in serving veterans.

7. **Quality Assurance for Disability Claims at the Board of Veterans' Appeals.** Veterans who are dissatisfied with a decision made by a VA regional office may appeal that decision to BVA. During fiscal years 1999 and 2000, BVA decided an average of 35,000 appeals per year. GAO reviewed the quality assurance program at the Board and the Board's collection of data to improve the quality and consistency of its decisions on veterans' claims. The committee will focus on the GAO's August 2002 report, *Veterans' Benefits: Quality Assurance for Disability Claims and Appeals Processing Can Be Further Improved.* (GAO-02-806).

8. **Vocational Rehabilitation and Employment.** VA's Vocational Rehabilitation and Employment (VR&E) program provides services and assistance to enable veterans with service-connected disabilities to obtain and maintain suitable employment, and to enable certain other disabled veterans to achieve independence in daily living. The committee will examine VR&E's focus on suitable employment, assistance to the most seriously disabled veterans, succession planning, contracted services, claims processing, employer outreach and quality assurance.

9. **Office of Federal Contract Compliance Programs.** The Office of Federal Contract Compliance Programs (OFCCP) is an enforcement agency within the Department of Labor. In addition to other equal employment laws, OFCCP enforces the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA). The law requires that employers with Federal contracts of $100,000 or more provide equal opportunity and affirmative action for certain veterans. The Federal government awards prime contracts worth approximately $200 billion per year. The committee will examine OFCCP's recent investigatory and enforcement actions related to VEVRAA, staffing matters, and the general complaint process.

10. **Fiduciary Activities.** When a probate court or VA rating board determines an adult VA beneficiary is incompetent, VBA personnel assess the need for

a fiduciary, appoint an appropriate person or entity to manage the beneficiary's funds, and monitor the management of those funds. As of December 31, 2002, VBA personnel supervised the management of funds for more than 100,000 incompetent beneficiaries. VA's Inspector General has begun conducting Combined Assessment Program reviews at VBA regional offices. The most recent summary report (Report No. 02-01811-38) indicates that improvement with regard to Fiduciary and Field Examination activities is needed at more than 50 percent of the regional offices reviewed between June 2000 and September 2002. The committee will determine the extent of problems with VBA's fiduciary program and recommendations for improvements.

11. **Meeting the Health Care Needs of Veterans.** Despite record budget increases, the growing demand for health care is outpacing the resources allotted to VA for veterans' health care. The committee will evaluate factors that contribute to the loss of current services, long waiting times and delayed or denied care. The committee will also review the recommendations of the President's Task Force to Improve Health Care Delivery for Our Nation's Veterans and any plans to implement the Task Force's recommendations.

12. **Infrastructure Maintenance in VA Health Care and CARES.** The VA health care system capital asset planning process, known as Capital Assets Realignment for Enhanced Services (CARES) II, is underway, with a scheduled date of completion during the 108th Congress. The committee is concerned about the cumulative effects of years of insufficient resources to adequately maintain VA's aging health care facilities. Many need significant maintenance, repair and modernization. The committee will review these needs and the implementation of CARES and its next phases.

13. **Veterans Equitable Resource Allocation System.** The Veterans Health Administration (VHA) adopted this system of allocating funds to its field health activities in April 1997. During the past year, the allocation model was revised. The committee will review the implementation, operation and effectiveness of the new Veterans Equitable Resource Allocation (VERA) model and its impact on veterans.

14. **Management Improvements.** The VA's plans in fiscal year 2003 included saving $298 million by making management improvements, with an additional $800 million in savings proposed for fiscal year 2004. The committee will review the business practices, scope and success of VA management improvements.

15. **VA and DOD Health Resources Sharing.** Sections 721 through 726 of Public Law 107-314 provided the most significant changes to VA-DOD sharing authority in its 20-year history. With new opportunities and incentives in place to conserve scarce federal health care resources and improve the delivery of services to the military-veteran community, the committee intends to continue its close oversight of VA-DOD resource sharing, especially implementation of the new legislation.

16. **Status of VA Medical, Biological, Chemical and Radiological Research.** VA medical research, in affiliation with the nation's leading schools of medicine, has been remarkably successful in curing human disease and advancing biomedicine. The committee has monitored VA research for a number of years and will continue to review it. Public Law 107-287 expanded the VA's role in homeland security and created new research centers to counter biological, chemical, and radiological terrorism and threats against active duty service members, veterans and the general public. Implementation of the new law will be carefully monitored.

17. **Mental Health and Substance-Use Disorder Programs.** Reported reductions in capacity of VA programs to care for the most seriously mentally ill veterans, especially those with psychoses and with substance-use disorders, continue to be a matter of concern. The committee will explore the state of VA's mental health programs and the effectiveness of chronic mental illness treatment programs in VA's institutional, contract, community-based, case-management and aftercare programs.

18. **Follow-up on Millennium Act.** Public Law 106-117, the Veterans Millennium Health Care and Benefits Act, was the most significant health care legislation Congress has enacted for veterans in a number of years. Since the law was enacted, VA has implemented many of its provisions. The committee will continue to give attention to the remaining steps VA must take to comply fully with its mandates and will provide oversight to those programs already implemented, including the effectiveness of pilot programs and the maintenance of capacity in VA's long-term care programs.

19. **Rural Health Care Matters.** The committee is concerned about the health of veterans who live in rural and remote regions, particularly whether they have adequate access to VA health care and services. The emergence of VA telemedicine holds promise to extend VA services beyond major VA medical centers. The committee will examine the role of telemedicine in VA's efforts in rural care. Also, VA has promoted improved access through its community-based clinics, primary care outlets now numbering in the

hundreds. The committee will explore geographic distribution of these clinics to determine if VA has adequately responded to rural veterans' needs, including investigation of the availability of mental health services in rural clinics.

20. **Women Veterans' Programs.** An Advisory Committee on Women Veterans was established in 1983 under Public Law 98-160 to assess the health care, outreach, and benefits needs of women veterans and make recommendations to the Secretary of Veterans Affairs and Congress. VA medical centers have been mandated to designate women veterans' coordinators, in addition to providing specialized health services and outreach. The committee will continue to review VA policies and programs for women veterans.

21. **Scarce Medical Specialty Contracting.** The committee is concerned about medical specialty services obtained through government contracts. Some of these contracts are expensive compared to average costs for government-employed physicians. The committee will explore options for obtaining such physician specialty services in a cost-effective manner.

22. **Personnel Legislation.** Congress made significant changes in VA practitioner pay systems in Public Law 106-419, the Veterans Health Care Personnel and Benefits Act of 2000. The committee will examine VA's implementation of these changes and consider the need for additional legislation.

23. **Prescription Drugs.** The committee will examine VA's pharmaceutical program, including practices, costs and copayments for veterans, in order to assess the pharmaceutical services veterans receive.

24. **Force Protection.** The committee will continue to actively monitor DOD force protection practices and policies (especially those actions being taken by DOD in advance of military deployments overseas), and review measures taken by DOD to ensure VA will be able to appropriately identify and care for service-connected conditions of returning veterans in the event of war with Iraq. In addition, VA has announced it will double its research investment for Persian Gulf War Illnesses. The committee will continue to investigate issues linked to war-related illnesses and injuries.

25. **The Deseret Test Center Project 112 and Shipboard Hazards and Defense Program.** In the last session of the 107th Congress, the committee held a hearing to investigate potential health consequences to veterans involved in tests conducted through DOD's Deseret Test Center, known as

Project 112, and Shipboard Hazards and Defense (SHAD). The committee will continue to monitor information from DOD and review whether active duty forces are being adequately protected and appropriately informed regarding their potential exposures.

26. **Hepatitis C Programs.** The committee will examine VA's response to the incidence of hepatitis C virus (HCV) infection among its patient population and the methods by which VA allocates and monitors funding for education, screening and treatment of HCV.

27. **Medical Care Collection Fund/Medicare Remittance Advice.** VA collects over $680 million per year from third party insurers for medical care provided to veterans with health care insurance. The committee will examine what progress has been made by the VA since the September 20, 2001, hearing on this issue. The committee will review improvements in collection procedures, cost of collections, cost of care provided to veterans, and outsourcing initiatives.

28. **Fugitive Felon Program.** Prior to 2002, veterans and dependents wanted by United States law enforcement authorities for committing felony criminal acts were eligible to receive VA benefits while fleeing from justice. Based on a legislative proposal presented by the VA Inspector General, the 107th Congress enacted Public Law 107-103, prohibiting specified VA benefits to be paid or provided to fugitive felons and dependents. The committee will review the implementation of this program.

29. **Cemetery Standards of Appearance.** The committee will examine what steps the National Cemetery Administration should take to ensure the appearance of the cemeteries it maintains meets the standards defined in the Logistics Management Institute's 2002 report, *Cemetery Standards of Appearance*.

30. **National Personnel Records Center.** The National Personnel Records Center (NPRC) is responsible for maintaining the official military personnel records of discharged members of the Armed Forces. The committee will examine NPRC's external role in VBA's processing of veterans claims and what improvements are needed to ensure timely retrieval of records.

31. **Hearing on VA's Biomedical Research Program.** The committee will review VA research developments, with a particular focus on Parkinson's disease, Alzheimer's disease and diabetes research.

32. **VA Research.** The committee will examine the relationship between the Office of Research Compliance and Assurance (ORCA) and the Office of Research and Development. The committee will also conduct a follow-up review of ORCA's report on the accreditation of human subject protections, and related issues including the indirect costs associated with the National Institute of Health (NIH) research at VA. The committee will examine the impact of VA coverage of all indirect costs associated with research on VA healthcare.

33. **VA Information Technology Programs.** The committee will continue its oversight of VA's IT programs to review progress being made with implementation of its integrated enterprise architecture plan and efforts to improve its internal and external cyber security.

34. **Nursing Shortages.** VA continues to have a difficult time retaining and recruiting registered nurses. The committee will examine short-term and long-term implications of this nationwide problem and what actions VA should take to address this nursing shortage.

35. **VHA's 4th Mission, Preparedness and Capacity.** The events of September 11th, 2001, raised the national awareness of the role of the Federal Government in times of emergency or disaster. The committee will review VA's role and responsibilities in emergency and disaster response.

36. **VA Contract Nursing Home Safety.** The various states have differing standards for inspecting nursing homes. The committee will review VA's role in oversight of nursing homes with VA contracts.

37. **Prioritization of Veterans Health Care.** VA has established a new "Category 8" classification for veterans who have higher incomes and do not suffer from military service related disabilities or health problems. In 2002, over half the 830,000 veterans who enrolled for VA health care were classified as Category 8. The committee will examine the effect that Category 8 veterans have on VA's budget and health care delivery.

38. **VA Physicians' Duty Assignments and Timekeeping.** The VA Inspector General's Combined Assessment Program Reviews have cited the need for VA medical centers to do a better job of monitoring their part-time physicians who hold a joint appointment with the VA and an affiliated university. The committee will examine VHA physician accountability.

39. **VA Senior Executive Service Bonuses.** The committee will examine VA's bonus practices for its Senior Executive Service employees. The committee will review GAO's September 2002 report, *Results-Oriented Cultures, Using Balanced Expectations to Manage Senior Executive Performance* (GAO-02-966), which used VBA as a case study. The examination will focus on discrepancies between rewards and performance.

40. **VA Sourcing Decisions.** The President's Management Agenda encourages government agencies to outsource work that can be accomplished commercially. The committee will hold a hearing to examine VA's efforts to comply with this goal.

41. **Veterans Preference/VETS-100 Report.** The Department of Labor's Office of the Assistant Secretary for Policy (OASP) and Veterans' Employment and Training Service (VETS) developed a system designed to help veterans determine the type of Federal employment preferences to which they are entitled, the benefits associated with the preferences and the steps necessary to file a complaint due to the failure of a Federal agency to provide those benefits. The committee will review the enforcement of the veterans' preference laws by the Department of Labor. The committee will also review the VETS-100 Report, which companies must file showing the number of targeted veterans in their work force by job category, hiring location and number of new hires. The committee will evaluate the VETS-100 report to determine employer compliance with veterans preference laws.

42. **The Civilian Health and Medical Program of the Department of Veterans Affairs.** There are approximately 160,000 Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) beneficiaries who generate over 1.7 million medical claims. Annual program expenditures are approximately $160 million, with claims totaling around $145 million. The committee will review the effectiveness of program management controls for duplicate claims payments, eligibility verification, and recovery for fraudulent claims payments. The committee will also review how the recently authorized CHAMPVA for Life program is being implemented.

43. **Controlled Substances Security.** The VA IG's Combined Assessment Program Reviews have consistently cited material weaknesses in VA medical center security for controlled substances. Weak security increases the potential for waste, fraud, abuse, and drug diversion. The committee will examine VA efforts to address this issue.

44. **The Uniformed Services Employment and Reemployment Rights Act.** Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), reserve component service members called up active duty have the right to return to their employment upon leaving active duty. In light of the current mobilizations of the reserve components, the committee will examine the effectiveness of USERRA for returning service members.

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CHAIRMAN

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January 29, 2003

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The Honorable Robert W. Ney
Chairman
Committee on House Administration
1309 Longworth HOB
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Dear Chairman Davis and Chairman Ney:

In accordance with the requirements of Clause 2 of Rule X of the rules of the House of Representatives, the following is a list of oversight hearings and other oversight-related activities, which the Committee on Ways and Means and its Subcommittees plan to conduct during the 108th Congress.

Full Committee

1. Rules, Regulations, Statutes and Court Decisions. On an ongoing basis, the Committee and its Subcommittees will review specific problems within the Committee's jurisdiction with Federal rules, regulations, statutes and court decisions that are ambiguous, arbitrary, or nonsensical, or impose a severe financial burden on individuals.

2. Tax Reform. The full Committee will hold hearings to examine proposals by President Bush to reform Federal taxation.

3. Medicare Reform. The full Committee will hold hearings to examine proposals by President Bush to reform Medicare.

Subcommittee on Oversight

1. Tax Simplification. In cooperation and coordination with the full Committee and the Subcommittee on Select Revenue Measures, the Subcommittee will continue its efforts from the 105th, 106th, and 107th Congresses to examine areas of complexity in Federal tax law. Following the recommendations of the Joint Committee on Taxation, Chairman Houghton and other Members have introduced legislation that would fundamentally reform and simplify the Internal Revenue Code. The Treasury Department and a variety

of groups interested in tax administration also have proposed tax simplification measures.

2. IRS Budget and Filing Season. The Subcommittee will hold hearings in both 2003 and 2004 to review the Administration's budget request and the tax filing season. The Subcommittee will review how the IRS is improving customer service, modernizing its computer systems, managing the IRS restructuring, and carrying out its tax examination and collection functions.

3. National Taxpayer Advocate and Free Filing. The Subcommittee will hold a hearing to evaluate the legislative recommendations of the National Taxpayer Advocate and the leading problems faced by taxpayers, as described in the Taxpayer Advocate's Annual Report. In addition, the Subcommittee will hear testimony from IRS officials concerning the IRS Free Filing initiative. Free Filing, a partnership with private sector firms, is a model for future business-IRS cooperation.

4. The Appropriate Role of Tax-Preferred Organizations. The Subcommittee has received reports of tax-preferred organizations that may be operating beyond the scope of their charitable status. Tax-exempt groups are required by law to engage primarily in activities that meet their charitable or stated purpose, and the IRS is charged with reviewing the activities of tax-preferred groups. The Oversight Subcommittee will review the current law, adequacy of IRS oversight and reporting requirements, and suggestions for improvement.

5. Reporting Requirements of Tax-Exempt Groups. During the 106th and 107th Congresses, legislation was enacted (P.L. 106-230, P.L. 107-276) to ensure that Internal Revenue Code Section 527 political organizations are accountable to the public through disclosure requirements, including a database of contributions and expenditures that is accessible and searchable on the Internet. The Subcommittee will review the reporting done by other tax-exempt groups, both to the Internal Revenue Service and other agencies, to determine the need for similar reporting to ensure appropriate oversight and disclosure.

6. Tax Incentives for Low-Income Individuals and Distressed Communities. The Subcommittee will continue its efforts from the 107th Congress to review the benefits of and make recommendations for improvement to various tax incentives that help Americans with minimal or no jobs skills to move into the work force and encourage economic development in areas of need, including the Work Opportunity Tax Credit, Welfare-to-Work Tax Credit, New Markets Tax Credit, and Renewal Communities program.

7. IRS Computer Modernization. The Subcommittee will continue to monitor the progress of the IRS in modernizing its computer systems. Assuring a successful conclusion to this multi-billion dollar upgrade will be the major focus of the ongoing review. Success of the business systems modernization project is critical to the IRS' ability to provide

enhanced service to taxpayers.

8. Improving IRS Administration of Tax Laws. The Subcommittee will review proposals to improve the quality and efficiency of IRS tax administration, including proposals to improve IRS debt collection procedures and enhance Earned Income Credit (EIC) compliance. The Subcommittee will review the proposed IRS National Research Program as well as the overall IRS audit and compliance rates, including a review of the appropriate audit rates across income levels and possible tax avoidance schemes.

9. Taxpayer Rights. The Subcommittee will continue to monitor the implementation of taxpayer rights provisions in the landmark IRS Reform and Restructuring Act (RRA '98) and evaluate new proposals to enhance taxpayer rights.

10. IRS Tax Data Sharing for Government Statistical Purposes. The "Confidential Information Protection and Statistical Efficiency Act of 2002," Title V of the "E-Government Act of 2002" (P.L.107-347), allows for sharing of non-tax business data among certain statistical agencies. In order to further improve the quality and quantity of available statistical data for government decision makers, the Subcommittee will examine whether the Internal Revenue Code should be amended to allow Internal Revenue Service tax data to be shared with other agencies for statistical purposes.

11. IRS Individual Taxpayer Identification Numbers. Reports have indicated that illegal aliens and third parties are using Internal Revenue Service's Individual Tax Identification Numbers (ITIN) for non-tax purposes, such as obtaining drivers' licenses and opening bank accounts. The Subcommittee will review the IRS ITIN program, as well as its efforts to identify the fraudulent use of Social Security numbers on tax documents.

12. Department of the Treasury's Bureau of Tax and Trade. "The Homeland Security Act of 2002" (P.L. 107-296) transferred the law enforcement functions of the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms (BATF) to the Department of Justice. However, the revenue administration and revenue enforcement functions of BATF were retained at Treasury as the Bureau of Tax and Trade. The Subcommittee will review the status of this transition, as well as any new issues facing the Bureau of Tax and Trade.

13. Oversight of Drug Interdiction Efforts. The Oversight Subcommittee will hold a hearing to review activities undertaken by the Departments of Treasury and Homeland Security to address federal drug interdiction efforts using laws relating to cash transaction reporting, money laundering, foreign tax havens, and national security laws administered by the IRS, U.S. Customs Service, and other entities.

14. Field Investigations and Hearings. The Subcommittee will conduct such field investigations and hearings as Committee staffing and budget resources permit, and as are

necessary for purposes of evaluating the effectiveness of and compliance with the programs and laws under the jurisdiction of the Committee on Ways and Means.

Subcommittee on Trade

1. Bush Administration Trade Policy. The Subcommittee will hold a hearing to give the Administration an opportunity to describe its trade policy since the passage of Trade Promotion Authority and respond to Member questions.

2. Preparations for the 2003 World Trade Organization Ministerial. The Subcommittee will hold hearings on United States preparations for the 2003 WTO Ministerial in Cancun, Mexico (September 2003) and progress in the ongoing negotiations on the Doha Development Agenda, particularly with respect to agriculture, services, industrial tariffs, and development issues.

3. Bilateral Free Trade Agreements with Singapore and Chile. The Subcommittee will continue its oversight of the negotiations for bilateral free trade agreements with Singapore and with Chile. Now that these negotiations have concluded, the Subcommittee will continue to consult with the Administration and will hold hearings to on the agreements and will consider implementing legislation under TPA processes.

4. Free Trade Area of the Americas. In preparation for the Miami Ministerial meeting scheduled for late 2003, the Subcommittee will hold a hearing on the status of negotiations to establish a Free Trade Area of the Americas, with a focus on market access offers and the role of the United States and Brazil as co-chairs of the process until the conclusion of negotiations in 2005.

5. Negotiation of Bilateral Free Trade Agreements. The Subcommittee will continue its oversight and hold hearings to assess the status of negotiations for free trade agreements with countries for which the Administration has notified Congress of its intent to negotiate: Morocco; the members of the Central American Economic Integration System (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua); the South African Customs Union (Botswana, Lesotho, Namibia, South Africa and Swaziland); and Australia. In addition, the Subcommittee will explore whether other countries may be appropriate candidates for free trade agreements. Finally, the Subcommittee will consider the impact of free trade agreements on multilateral negotiations.

6. Relationship between Trade and National Security. On several occasions during the 107th Congress, the Administration asked the Committee to consider certain trade benefits for national security reasons. The Committee intends to continue its examination of such issues, including an assessment of the national security benefits and the impact on affected U.S. industries and workers.

7. Miscellaneous Duty Suspensions and Technical Corrections to U.S. Trade Laws. The House passed legislation in the 107th Congress to temporarily suspend duties on a wide range of noncontroversial products and to make technical corrections to U.S. trade laws. The Senate, however, did not act on this legislation. The Subcommittee intends to reconsider this legislation and perhaps consider an additional bill later in the new Congress.

8. U.S. Trade Remedy Laws. The Subcommittee will continue to review the application of U.S. antidumping, countervailing duty, and safeguard laws including the impact of these remedies on the injured domestic industries as well as the effect of trade remedies on downstream users of products subject to these actions. The Subcommittee will hold a hearing on the impact of the tariffs imposed by the President on March 20, 2001, as a result of a section 201 investigation on certain steel products, which is scheduled for a mid-term review in September 2003. At the hearing, the Committee will seek testimony on the impact of the tariffs on steel producers, users, and the U.S. economy; the progress of dispute settlement proceedings in the World Trade Organization (WTO); and whether the action should be reduced, modified, or terminated. The Subcommittee will continue to monitor the status of World Trade Organization negotiations, consultations, panel proceedings, and decisions concerning U.S. trade remedy laws and their application, and will work with the Administration to assure compliance with U.S. WTO obligations.

9. Authorizations for the U.S. Customs Service, the Office of the United States Trade Representative (USTR), and the U.S. International Trade Commission (ITC). The Subcommittee will hold hearings on authorizations for the trade agencies for FY 2004 and 2005 and work towards passage of authorization legislation. The Subcommittee will review funding for the Customs Automated Commercial Environment (ACE), the Customs Cyber-smuggling Center, drug enforcement efforts, and the International Trade Data System (ITDS). In particular, the Subcommittee will examine the scope of the authorization for Customs given its incorporation into the new Department of Homeland Security and will conduct oversight of that reorganization and its impact on the collection of revenue and trade facilitation.

   In addition, the Subcommittee will follow up on Customs' efforts to streamline the entry process and implement the entry Revision Project. Also, in light of a GAO study requested by Chairman Crane, which found that the Office of Regulations and Rulings at the U.S. Customs Service did not issue rulings in a timely manner, the Subcommittee will continue its oversight to ensure that Customs is making the changes needed to address this concern.

10. User Fees. The Subcommittee will continue its oversight of Customs user fees, including the amount of the fees and their relationship to the actual cost for providing services. The Subcommittee will also consider reauthorization of the fees, which expire on September

30, 2003. The Subcommittee will examine issues surrounding the Consolidated Omnibus Reconciliation Act of 1985 (COBRA) account, especially whether the account contains sufficient resources to fund inspectional services and whether revised fee collections are appropriate. Significant issues to consider will be the entire nature of fees for customs operations within a much larger non-trade organization of the Department of Homeland Security. The Subcommittee will examine a study on user fees undertaken by the General Accounting Office and will consider whether Customs is implementing requirements of the Trade Act of 2002 to provide cost accounting of customs services for which fees are collected.

11. Trade Adjustment Assistance. The Subcommittee will continue its oversight of the general TAA programs for workers and firms in light of the substantial revisions made by the Trade Act of 2002.

12. Trade Relations with China. The Subcommittee will continue to monitor China's compliance with its WTO obligations and will examine the adequacy of U.S. technical assistance programs to promote the rule of law in China.

13. Permanent Normal Trade Relations with Russia and Other Jackson-Vanik Countries. The Subcommittee will hold hearings and consider legislation on the application of and potential graduation from Jackson-Vanik for these countries, particularly Russia, at the appropriate time. The Subcommittee will continue to monitor the progress of these countries in negotiating their accession to the WTO.

14. Trade and Development Act of 2000. The Subcommittee will hold a hearing or request public comment on the Trade and Development Act of 2000 (Africa/Caribbean Basin Initiative), the enhancement to these programs contained in the Trade Act of 2002, and the Andean Trade Preferences Act to ensure that the legislation is being implemented in a manner consistent with Congressional intent. The Committee will also consider whether any changes, enhancements, or extensions to these programs are appropriate.

15. Conflict diamonds. During the 107th Congress, the House passed legislation prepared and approved by the Committee to address trade in so-called "conflict diamonds" and implementation of the international Kimberly Process negotiations. The Senate, however, did not consider the legislation. The Committee intends to consider such legislation again in light of the additional progress made in the Kimberly Process.

16. Jackson- Vanik Waiver and Extension of Normal Trade Relations to the Socialist Republic of Vietnam. The Subcommittee's annual review of Vietnam's Jackson- Vanik waiver will begin in June with a Presidential determination of that country's status for the upcoming year. The effect of the President's waiver is to grant conditional normal trade relations (NTR) status to products from Vietnam and to make U.S. exporters eligible for certain export credit guarantees in doing business with Vietnam. If a resolution of

disapproval is introduced with respect to the President's Jackson-Vanik determination for Vietnam, the Subcommittee plans to hold a hearing and consider the issue.

17. Normal Trade Relations with the Lao People's Democratic Republic. The Subcommittee will continue its oversight of bilateral relations between the United States and Laos. Laos does not currently receive normal trade relations (NTR) status because it is included in the Harmonized Tariff Schedule (HTS) of the United States in General Note 3(b) on the list of countries whose products are subject to column 2 (non-NTR) tariff rates. In 1997, the United States and the Lao People's Democratic Republic concluded a bilateral commercial agreement which calls for a reciprocal extension of normal trade relations, but that agreement has not yet entered into force. The only action required to grant permanent NTR status to Laos is for Congress to enact legislation amending the HTS to strike Laos permanently from General Note 3(b).

18. Sanctions Reform. In response to the dramatic growth in the imposition of unilateral economic sanctions and their impact on U.S. trade and competitiveness in international markets, the Subcommittee will continue its oversight on the use and effectiveness of U.S. unilateral trade sanctions, in particular whether any proposed sanction will achieve its intended objectives and whether the achievement of those objectives outweigh any likely costs to United States foreign policy, national security, economic, and humanitarian interests.

19. Rules of Origin and Country of Origin Marking. The Subcommittee will continue to review and consult with the Administration and the trade community on the status of rules of origin negotiations underway in the World Customs Organization; update rules of origin and country of origin marking to implement those negotiations so they reflect current business production, sales, and distribution practices; review whether U.S. law and U.S. Customs enforcement efforts are effective in preventing unlawful transshipment; and review the implementation labeling requirements by United States and its trading partners with respect to meat, fresh produce, and genetically modified products.

20. Trade Relations with Japan. The Subcommittee will continue its oversight of U.S.-Japan trade relations, focusing on the necessity for Japan to implement broad structural reforms, including deregulation of its economy, reform of its banking system, improved transparency, and the opening of its distribution system to eliminate exclusionary business practices.

21. Asia Pacific Economic Cooperation Forum. The Subcommittee will continue to review the status of U.S. trade policy objectives in Asia, particularly in the Asia Pacific Economic Cooperation Forum negotiations.

Subcommittee on Health

1. Regulatory and Contracting Reform. The Subcommittee will hold a hearing to evaluate the management of the Centers for Medicare and Medicaid Services (CMS) oversight over the Medicare program and to explore changes that could be made to improve its efficiency and its interactions with beneficiaries and the providers that serve them.

2. MedPAC Report and Recommendations. The Subcommittee will hold a hearing on the Medicare Payment Advisory Commission's (MedPAC) 2003 recommendations to Congress regarding Medicare payment policies. Every year, MedPAC's panel of health care experts makes recommendations to Congress and its Committees with jurisdiction over the program.

3. Medicare's Cost-sharing and Supplemental Coverage. The Subcommittee will hold a hearing to explore Medicare's cost-sharing structure and the adequacy and supplemental Medigap coverage which fills in gaps in coverage.

4. Prescription Drug Coverage. The Subcommittee will hold a hearing on the need for an out-patient prescription drug benefit. The hearing will examine benefit design considerations.

5. Health Care Quality. The Subcommittee will hold a hearing to examine health care quality issues. In particular the Subcommittee will examine ideas to reduce medical errors. The Committee will also examine new ways to deliver care, such as disease management programs.

6. Medicare Waste, Fraud and Abuse. The Subcommittee will examine enforcement of laws to combat waste, fraud and abuse in the Medicare program and what steps might be taken to improve their application.

7. Medically Uninsured. The Subcommittee will hold a hearing on options to reduce the number of individuals and families without health insurance. That hearing will include an examination of tax credits.

8. Graduate Medical Education. The Subcommittee will examine how Medicare pays teaching hospitals to train and educate physicians and explore options for reform.

9. Medicare Modernization. Examine proposals to make Medicare more efficient and responsive.

10. Other Issues. Further hearings will be scheduled as time permits to examine certain additional aspects of Medicare program management.

Subcommittee on Human Resources

1. Welfare Reform. The Subcommittee will continue working to reauthorize the Temporary Assistance for Needy Families (TANF) and related programs created and amended under the 1996 welfare reform law. The Subcommittee also will conduct oversight hearings on TANF and related programs. Issues of particular interest to the Subcommittee are the impact of welfare reform on children and families and the use of welfare funds to strengthen families and promote healthy marriage, as well as efforts to support increased work by welfare recipients, further reduce poverty, and improve child well-being.

2. Child Care. Child care funding has increased substantially since enactment of the 1996 welfare reform law. The Subcommittee will examine State use of mandatory and matching grant portions of the Child Care and Development Block Grant, as well as other funding sources used to support child care needs, including the TANF and Social Service Block Grants.

3. Child Support Enforcement. Child support payments have become increasingly important to low-income families as they leave and stay off welfare and begin moving up the economic ladder. The Subcommittee will hold hearings to review changes to the program made in 1996 and subsequent reform laws, as well as proposals for further system improvement.

4. Supplemental Security Income (SSI). For the past several years the SSI program has been on the General Accounting Office's list of programs at high risk of waste, fraud, and abuse. The Subcommittee will review various proposals to reduce this risk and improve the program. The Subcommittee also will continue oversight of changes made to the SSI program in the 1996 welfare reform law and subsequent laws.

5. Child Protection. In preparation for reauthorization of the Adoption Incentive Payments program, which provides bonuses to States for increasing the number of adoptions of children from foster care over the previous year's level, oversight hearings will review both the program and improvement proposals. In addition, the Subcommittee will conduct oversight hearings on the broader operation of the Nation's child welfare system, including under the Safe and Stable Families program and other program changes made through the Adoption and Safe Families Act of 1997.

6. Unemployment Compensation. The Subcommittee will conduct hearings on the Nation's unemployment compensation system. Several issues, including improving the program to better promote work and savings, reducing extended unemployment and assessing the benefits, costs and consequences of providing extended benefits, improving program

integrity, and increasing State flexibility in designing and administering benefits and assisting in returns to work, will be examined in these hearings.

Subcommittee on Social Security

1. Social Security's financial challenges. The Subcommittee will hold hearings to examine various issues affecting the well being of individual recipients, the financial challenges facing Social Security programs, and options to address those challenges. In addition, the Subcommittee will examine work incentives and tax burdens for seniors, impacts of global aging, and Social Security coverage issues.

2. Use of the Social Security Number (SSN). The Subcommittee will continue its examination of the use of the SSN as an identifier and the degree to which such use contributes to identity theft and Social Security program fraud. The integrity of the SSN enumeration process and the crediting of workers' wages will also be examined. The Subcommittee will also review legislative options to enhance SSN privacy in both the public and private sectors.

3. Disability program improvements and oversight. The Subcommittee will continue to examine service delivery provided by the Social Security Disability Insurance program, including the Social Security Administration's (SSA's) implementation of the *Ticket to Work and Work Incentives Improvement Act* as well as SSA's disability program management and efforts to improve workload processing at both the initial application and appeals levels. The Subcommittee will continue to review the degree to which Social Security disability programs address the challenges faced today by those whose disabilities prevent them from working.

4. Stewardship of the Social Security programs. The Subcommittee will conduct oversight hearings to examine the management of the Social Security programs, assess their potential vulnerability to fraud, and to explore legislative remedies.

5. Service delivery. The Subcommittee will continue its ongoing oversight of SSA's service delivery as the agency prepares to address the service needs of aging baby boomers while facing the loss of one half of its workforce due to retirement. The Subcommittee will address the agency's management of information technology, efforts to modernize service delivery to meet the changing expectations of today's customers, plans to recruit and retain new workers, and initiatives to educate the public on Social Security programs and the challenges they face.

Subcommittee on Select Revenue Measures

As directed by the Chairman of the full Committee, the Subcommittee on Select Revenue Measures will conduct hearings and develop legislation on a variety of tax issues.

This list is not intended to be exclusive. The Committee anticipates that additional oversight activities will be scheduled as issues arise and/or as time permits.

Best regards,

Bill Thomas

Bill Thomas
Chairman

MINORITY VIEWS OF HON. HENRY A. WAXMAN, HON. MAJOR R. OWENS, HON. EDOLPHUS TOWNS, HON. CAROLYN B. MALONEY, HON. ELIJAH E. CUMMINGS, HON. DENNIS J. KUCINICH, HON. DANNY K. DAVIS, HON. JOHN F. TIERNEY, HON. DIANE E. WATSON, HON. CHRIS VAN HOLLEN, HON. LINDA T. SANCHEZ, HON. JIM COOPER, AND HON. CHRIS BELL

We agree with the majority that Congress should focus oversight efforts in the coming years on ensuring improvement in the Federal Government's management problems and reduction of waste, fraud, and abuse in government. We also believe that the majority report appropriately underscores the need for Congress to invest time and resources in overseeing the implementation of laws to address the myriad security issues facing the country in the aftermath of September 11th, and the coordination of Federal Government activity in this area.

We appreciate the work the chairman on this committee has done in this Congress to work cooperatively with the minority to identify and plan oversight activities. With respect to the oversight plans of committees as a whole, however, there is a significant gap in the oversight approach proposed by the majority for this Congress. The majority has failed to recognize the important role Congress should play in examining questionable activities by executive branch officials.

A good example of the need for congressional oversight is the administration's use of forged evidence relating to Iraq. On March 7th, Mohamed ElBaradei, Director General of the International Atomic Energy Agency, reported that evidence linking Iraq to efforts to purchase uranium from Africa was fake. Despite the fact that the CIA also doubted the credibility of this evidence, it was a central part of the administration's case against Iraq. It was part of the State Department's December 19, 2002, response to Iraq's disarmament declaration to the United Nations Security Council. It was cited by the President in his 2003 State of the Union address. And it was subsequently relied upon by Secretary of Defense Donald Rumsfeld. The use of this evidence in the face of CIA doubts raises serious questions about the conduct of senior administration officials.

Congress should also conduct oversight of the administration's inclination to place politics ahead of science in multiple areas. For example, the administration has removed valuable information from public health Web sites, replaced respected scientists on scientific advisory boards, and based policies on misleading data.

In short, we believe that congressional oversight of the executive branch from the lowest to highest levels is central to our democratic system, regardless of whether the majority in Congress shares a party affiliation with the President.

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