

Statement of the Honorable Tom Davis, former Member of Congress
Refuse of the Federal Spending Binge II: How U.S. Taxpayers Are Paying Double for Failing Programs
March 3, 2011

Chairman Issa and Ranking Member Cummings, thank you for the opportunity to testify here today. I am doing so in my capacity as a former member of Congress, and specifically as the former chairman of this Committee.

During my tenure, I closely examined how the federal government could operate more efficiently, focusing on governance issues – procurement, IT policy, civil service, and governmental organization. In this process, I have long said the way we try to extract savings from the federal government is to simply cut off fingers and toes rather than go after the fat that is marbled throughout. I still believe that is the case, but as we see in the GAO report issued earlier this week, sometimes Uncle Sam does indeed have a few too many digits, and some surgery may well be in order.

So where does the blame lie? There are many places to point the finger, but I would submit as Congress examines this issue, it begin by looking squarely in the mirror.

Duplicate and overlapping programs frequently exist because of the way Congress legislates. Indeed, one of the earliest – and most enduring – lessons I learned upon my election to the House was that jurisdiction trumps all. Thus, while two different members believe there may be a need for a given federal service, they will surely write the authorizing legislation with their individual committee assignments in mind.

For example, if a member of the Education and Workforce Committee wants to enact a job training program, he will write the legislation to ensure it falls under an agency in that committee's purview. The same would be true of a member on the Veterans Affairs Committee. A member on Financial Services might link job training to low income housing in order to guide such a program to HUD.

Thus, we might find three different programs with essentially the same goal – job training – under three different agencies. Under this arrangement, they are all funded differently, measured differently, and administered differently. Common sense suggests they should be combined to take advantage of economies of scale, or even just to make it easier for citizens to know these programs exist.

We can blame the bureaucracy, but in many ways Congress created the many-headed monster we bemoan in an attempt to protect its jurisdictional prerogatives.

Another point that should be examined: in the quest to corral duplicative or overlapping programs, or to implement broad personnel reforms, the need to implement government-wide solutions is often discussed. While the executive branch has the ability to affect such efforts to a certain degree, again the compartmentalized congressional approach often prevents the type of holistic action required. This is especially true of the appropriations process, in which all the subcommittees would have to agree to provide funding for a given initiative – a task akin to getting a cat to take a bath.

Finally, there are areas where unnecessary duplication at the federal level has ramifications at the state and local levels. Congress should examine the myriad reporting requirements of federal programs, human service programs, educational programs, and transportation programs to see where we can make better use of consolidated systems. With existing technology, it seems unnecessary to have every state maintain its own reporting system for a given federal program when essentially the same information is required from all. .

Government wide, in the executive branch, the same culture exists. Too many agencies have erected stove pipes for the delivery of IT services, personnel rules and internal protocols. The result is that seamless congruencies in communications and information sharing are rare between government departments. Information gets lost, analysis becomes disjointed and operability becomes hindered.

OMB can serve as an effective catalyst for establishing cooperation and communications between agencies, which could, in turn, lead to an exponential increase in efficiency. It has the authority and the mandate to do so. Unfortunately, in the administrations of both parties, the Office of Management and Budget simply becomes the office of Budget. The concentration falls on the budgetary aspects of agency spending when, in fact, a management review could yield more long term savings.

The key to success is focusing on how services are delivered, how services are procured and how information is gathered and analyzed. In these areas, the executive branch seems to be deficient.

Reorganizations, mergers and assimilations of redundant programs are not government skill sets. Often, attempts to reorganize are thwarted by inadequate time constraints, unwilling employee participants and skeptical federal managers who know that a "slow roll," wait-it-out approach will always trump even the most ambitious change management efforts.

So, what can Congress do and what can OMB do improve the situation? From the congressional standpoint, a complete restructuring of the committee system is unlikely. A first step to avoiding program duplication or inefficiency, however, might be a CBO-like review of newly proposed programs prior to floor consideration, with corresponding points of order.

OMB and Congress can jointly use this report today to begin a review of duplicative programs, but do so in the context of how the government can better achieve desired outcomes, rather than simply compile their own inventory of programs for the chopping block. Should such an effort proceed, it would be advisable to prioritize based on the greatest potential for gained efficiencies. Program consolidation would not be unlike a merger or acquisition in the corporate world. These consume significant resources, must take into account a number of factors in order to be successful, not the least of which is the culture of the institutions involved. As was mentioned above, there are numerous ways in which those invested in a given program can thwart the best of consolidation efforts.

In closing, there are good, dedicated people working in government. But upon examination of how they are employed, it is clear some of them are doing tasks they don't need to be doing, performed under regulations that did not need to be written, filling out forms that should not have been printed. I hope today's hearing marks the start of an effort address this issue.

Again, I appreciate the opportunity to share my thoughts, and I look forward to your questions.