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House of Representatives

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Opening Statement Chairman Gerald E. Connolly Subcommittee on Government Operations Hearing “Catalyst for Change: State and Local IT After the Pandemic” June 30, 2021

Today, more than a year into the pandemic, we are making progress in our effort to emerge from this crisis, which has now claimed more than 600,000 lives. Nearly 50% of the population is fully vaccinated. Just last week, Virginia hit 70% of all adults having received at least one vaccine dose. New daily coronavirus cases continue to drop, as do deaths associated with COVID-19. We cannot, however, forget what transpired this past year. Throughout this global health crisis, millions of Americans looked to the federal government for help as they faced illness, unemployment, and food insecurity. Despite urgent Congressional action to provide unprecedented levels of economic assistance, many individuals and small businesses were denied timely support and assistance due to severely deficient IT infrastructure at the federal, state, and local levels of government. In other words, Congress mustered the political will to act to prevent the world’s most powerful economy from falling off a cliff, but we were nearly thwarted in delivering that lifesaving assistance due to outdated IT. This should galvanize our IT modernization efforts at all levels of government.

Last July, this Subcommittee held a hearing on “Federal IT Modernization: How the Coronavirus Exposed Outdated Systems.” At that hearing, we examined the federal government’s response to the coronavirus pandemic and how legacy federal IT systems hindered those response efforts. Emergency relief, however, is not administered solely at the federal level. As the pandemic has demonstrated, state and local governments are on the frontlines of crisis response, often administering and distributing federally funded relief and benefits.

Unfortunately, many state and local governments’ IT infrastructure is outdated, causing severe gaps in access to digital services and undermining federal public health and economic relief efforts. Further, cyberattacks on state and local governments are on the rise and continue to cause significant disruptions and waste taxpayer dollars across the country. This hearing examines the role of Congress and the federal government in accelerating IT modernization initiatives for states and localities as they fortify and improve how government at all levels delivers critical services to the public.

According to research conducted by the Cyberspace Solarium Commission, state and local governments often struggle to fund basic services for their populations and regularly defer IT modernization and digitization in pursuit of shorter-term funding priorities. Throughout the country, surges in demand for government assistance programs during the pandemic—like unemployment insurance, public and mental health services and screenings, local food and housing assistance, and other benefits—prompted government websites to crash, contact centers to be overwhelmed, and in many cases delayed relief to those most in need.

Further, the pandemic abruptly revealed how ill-prepared many of our state and local governments are to deliver vital public services securely and remotely. Criminals took advantage of overwhelmed public IT systems, generating a significant uptick in cybercrime. In 2019, it was reported that 966 U.S.-based government entities, health care facilities, and schools were affected by ransomware attacks. In 2020, that number jumped to more than 2,300, including 113 attacks on federal, state, and municipal governments and agencies. As the number of cyberattacks rose, so did the amount of ransom demanded by criminals. The overall costs associated with this spike in cybercrime is unknown, but estimates suggest that the 113 attacks on government entities in 2020 cost \$915 million.

The pandemic laid bare the consequences of decades of deferred investment in government information technology, and we must not let the lessons learned during this crisis go to waste.

When done right, state and local governments can provide public benefits and services that help people in their most desperate time of need. For example, Congress created the Pandemic Electronic Benefit Transfer program in March 2020 as

part of the Families First Coronavirus Response Act. The program provides nutrition assistance to families who lost access to breakfasts and lunches as a result of school closures. To get this program up and running as quickly as possible, many state governments created online, mobile-friendly applications to collect data from parents and guardians in order to identify the children most in need. This state-led program reduced food hardship experienced by low-income families with children and lifted 2.7 to 3.9 million children out of hunger.

Over the past year, the pandemic forced state and local governments to modernize IT systems quickly and embrace digital services. Yet aging and inadequate IT systems – and not a lack of political consensus or will – continue to hinder access to critical government services. The federal government can serve as a resource to provide guidance and best practices on IT modernization. Federal government can share technical acumen and lessons learned. That is why I intend to introduce the House companion of the State and Local Digital Service Act (S. 1957). This important piece of legislation, led by Senators Wyden and Murray, provides guidance and funding for state and local governments to form digital service teams focused on delivering fair and effective public services.

Further, this past year demonstrated how important intergovernmental activities are in addressing national crises. Currently, no formal federal forum exists in which federal, state, local, tribal, and territorial government representatives can convene to discuss issues of import that require collaboration across levels of government. As a former county supervisor, I understand that state and local governments need a platform to talk meaningfully about the legislative process, administrative solutions, and the impact of federal policies.

This Congress, I will reintroduce my Restore the Partnership Act, which would recreate the Advisory Committee on Intergovernmental Relations, which operated from 1959 through 1996. The forum will help state and local governments navigate the nation’s most pressing intergovernmental issues and advance innovative solutions that can leverage IT funding and expertise of the federal government. I hope to work with my friends across the aisle to move this legislation, which has historically been bipartisan and grows out of years of work with former Representative Rob Bishop on former Speaker Paul Ryan’s Task Force on Intergovernmental Affairs.

This pandemic catalyzed a rapid response and shift in culture for how state and local governments deliver services to the public. As we emerge from the pandemic and begin recovery, we have an opportunity to examine lessons learned and identify best practices to grow our digital capabilities and strengthen how government serves the people.

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