

TESTIMONY OF

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U.S. Department of Commerce

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ON

“Oversight of Federal Agencies’ Post-Pandemic Telework Policies”

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Chairman Sessions, Ranking Member Mfume, and distinguished Members of the Subcommittee, thank you for the opportunity to testify about the Department of Commerce’s telework and remote work policies.

I am pleased to report that the Department of Commerce (the Department) is hard at work. The Department’s nearly 50,000 personnel work, across the country and around the world, to improve the conditions for economic growth and opportunity for all communities, and to advance the nation’s economic and national security. Over the last 3 years alone, the Department, through its 13 Bureaus and Offices, has:

- Announced over \$46 billion in funding to expand access to reliable, affordable, high-speed Internet service through the Broadband Equity, Access, and Development Program; the Enabling Middle Mile Broadband Infrastructure Program; and the Tribal Broadband Connectivity Program;
- Implemented significant export controls in response to Russia’s full-scale invasion of Ukraine and built a Global Export Control Coalition implementing substantially similar controls;
- Implemented unprecedented export controls on certain advanced computing and semiconductor manufacturing items destined to the People’s Republic of China (PRC), as well as restricted certain supercomputer and semiconductor end uses, as part of the Department’s broader efforts to counter the PRC’s civil-military fusion strategy and abuse of human rights;
- Completed and transmitted the results of the 2020 Census to the President and Congress;

- Awarded \$562 million to coastal and Great Lakes grantees as part of the Bipartisan Infrastructure Law’s Climate-Ready Coasts Initiative;
- Released a Vision for Success Paper and announced two Notice of Funding Opportunities in connection with the bipartisan CHIPS and Science Act, which will help revitalize the U.S. semiconductor industry, and has already received over 500 statements of interest to date; and
- Established programs to invest over \$2 billion in American communities through innovative place-based economic development, including the Good Jobs Challenge, Build Back Better Regional Challenge, and the Tech Hubs and Recompete programs.
- Replaced our legacy patent application filing and management system with a significantly modernized Patent Center, for easier public use.

The Department continues to successfully accomplish our mission while finding appropriate balance and incentivizing our workforce. And I would like to just briefly acknowledge our employees for what they do to ensure this Department continues its critical work while maintaining the highest level of professional excellence. From artificial intelligence to Tech Hubs, supply chain to weather and economic forecasting, our agency is leading the way in predicting and shaping the future.

The Benefits of In-Person Work

I want to stress, at the outset, that the Department deeply values the benefits of in-person work. In announcing the Department’s April 2022 return to the office, Secretary Raimondo and Deputy Secretary Graves told Commerce employees: “We believe strongly in the value of in-person work and the irreplaceable opportunities it provides for collaboration, developing trust, and problem solving.” We remain committed to that belief.

Many employees work in person five days a week. Department policy generally requires career employees in the Office of the Secretary to work in the office at least three days a week, with no more than two days of routine telework. Political appointees are expected to work in the office at least four days a week, with no more than one day of routine telework. Department bureaus and offices may not depart from this baseline policy without approval, which may be granted based on the mission needs and circumstances of the sub-agency.

I often see, and experience, the moments that illustrate the value of in-person work. Colleagues gathered around a table brainstorming approaches to a complex issue. Co-workers having unplanned, but productive, conversations in the hallway. Younger employees learning as they work side-by-side with more experienced colleagues. And countless little interactions—at the coffee machine, after a meeting, on the way in—that build relationships and trust. Those moments add up, and we believe that the Department is better positioned to achieve its mission—both in the short term and over the long term—when employees spend substantial time *together* in the office.

The Department’s Telework Policies

At the same time, telework has been a part of the Department's culture across multiple Administrations. For example, in 2018 during the Trump Administration, the Department adopted a telework policy that "encourage[d] supervisors to allow telework-ready employees to participate in regular/recurring telework at least two days per pay period." And in March 2020, as the realities of the COVID-19 global pandemic set in, the Department—like public and private employers across the country—shifted its operations first to a mandatory telework posture and months later to a maximum telework posture. As then-Secretary Ross explained to the Department's staff, maximum telework was necessary to "protect the health and safety of our workforce." The Department remained in a maximum telework posture through 2021.

In December 2021, the Department updated its Telework and Remote Work Plan, and in March 2022, Secretary Raimondo announced the Department's return to offices. Together, these policies provide for two types of telework: routine telework and situational telework. Routine telework occurs as part of an ongoing, regular schedule while situational telework occurs on an ad hoc basis. Department employees are generally eligible to engage in either routine or situational telework, depending on their circumstances and job duties, unless they are restricted, limited by defined performance or conduct-related reasons.

Following the Secretary's return to office announcement in Q3 of FY22, the Department's headquarters, the Herbert C. Hoover Building (HCHB), saw the average daily occupancy increase from 24% in FY22 Q3 to 42% in FY23 Q4, the most recent full quarter. The Department anticipates this upward trend to continue. Additionally, the preliminary findings from a recent Government Accountability Office (GAO) inquiry placed the Commerce Department in the top quartile of CFO Act agencies for utilizing space within headquarters buildings.

The Department now operates in a hybrid posture that is designed to help us retain and motivate our employees by providing flexibility to a workforce changed by the pandemic, but which also embraces the many benefits of in-person engagement and teambuilding. Department employees who choose to telework can benefit from this policy, as they are able to reduce their commuting time and costs and generally obtain a more desirable work-life balance, all while professionally and effectively meeting the Commerce mission. The Department also benefits because it is more readily able to maintain continuity of government in the event of inclement weather or unforeseen emergencies, ensuring that the Department's important work gets done no matter the circumstances. At the same time, the Department and its employees benefit from the collaboration, trust-building, and integration of new employees that the in-person component of a hybrid work environment fosters. These policies also make the Department more competitive in the labor market, bolstering recruitment efforts and ensuring that we are attracting the top talent.

The Department's use of telework, as part of a hybrid environment, to protect and motivate employees has resonated in quantifiable ways. Notably, employee responses to the 2022 Federal Employee Viewpoint Survey, which was conducted after the Department's return to office announcement, indicated that nearly 80% agreed that the Department's "senior leaders support policies and procedures to protect employee health and safety"; 90% felt that their supervisor supported their efforts to stay healthy and safe while working; and roughly 86% felt their

supervisor created an environment in which the employee can voice concerns about staying healthy and safe. And, in both 2021 and 2022, the Department was identified in the top 5 “Best Places to Work in the Federal Government” out of 17 large agencies.

Under Department policy, employees who engage in routine or situational telework must have a signed telework agreement in place that has been approved by their supervisor. The policy provides that, before a telework agreement can be approved, an employee must engage in a discussion with their supervisor regarding their work plan and performance expectations, and complete telework and additional IT security training. The Department’s performance standards and expectations do not change based on the employee’s teleworking status.

Consistent with the Department’s expectation that when teleworking, employees maintain a high level of performance, the Department has invested heavily in the tools needed for our employees to be successful while teleworking. Through the application of collaborative IT tools such as Microsoft Teams and SharePoint, or the use of laptops that can be used at home and in the office, the Department has found innovative ways to ensure our employees are fully productive under any circumstance.

Additionally, the Department and its Bureaus have maintained a high level of performance while operating in maximum telework and hybrid postures. Indeed, in Fiscal Year 2022, the Department met or exceeded 87% of its key performance indicators (KPI), which measure the Department’s progress towards achieving the 5 goals and 23 objectives of its Strategic Plan. By comparison, in Fiscal Years 2018, 2019, 2020, and 2021, the Department met 83%, 88%, 82%, and 83% of its KPIs, respectively. Of course, if performance issues exist with any employee—no matter where they work—managers are expected to utilize performance tools and counseling to address those issues as they arise. And refreshers and reminders are available to managers and employees interested in telework. We will continue to evaluate telework usage in the context of Office of Management and Budget Memo 23-15 and consistent with our own departmental policies and values.

The Department has leveraged and will continue to effectively leverage its hybrid telework model to maximize the efficient use of its real property, reducing its footprint where appropriate. In fact, over the past nine years, Commerce reduced its overall real property portfolio by over 5%. The reductions included more than 1 million square feet of office, warehouse, and laboratory space over the last several years, as well as property sales by the National Institute of Standards and Technology and National Oceanic and Atmospheric Administration that yielded over \$16 million in savings to the federal government. Further reductions to the Department’s real property portfolio are planned for the coming years, including a 760,000 square foot GSA-leased campus reduction for the U.S. Patent and Trademark Office and a 300,000 square foot reduction of office space by the Census Bureau, allowing GSA to collocate the Department of Labor’s Bureau of Labor Statistics in the Suitland Federal Center. The Department is committed to thoughtfully evaluating—and where possible, reducing—its real property profile, and will do so in light of the Department’s telework policy.

The Department will continue to refine and enhance its data collection around telework usage, along with building utilization, and employee satisfaction data, in order to inform our strategy of incentivizing and protecting our workforce, delivering on our mission, and being accountable stewards of federal property and tax dollars.

Thank you for the opportunity to testify today. I look forward to your questions.