

GOVERNMENT PERFORMANCE AND RESULTS ACT
TECHNICAL AMENDMENTS OF 1998

MARCH 10, 1998.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. BURTON of Indiana, from the Committee on Government
Reform and Oversight, submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H.R. 2883]

[Including cost estimate of the Congressional Budget Office]

The Committee on Government Reform and Oversight, to whom
was referred the bill (H.R. 2883) to amend provisions of law en-
acted by the Government Performance and Results Act of 1993 to
improve Federal agency strategic plans and performance reports,
having considered the same, report favorably thereon with an
amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof
the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Government Performance and Results Act Technical Amendments of 1998”.

SEC. 2. AMENDMENTS RELATING TO STRATEGIC PLANS.

(a) **CONTENT OF STRATEGIC PLANS.**—Section 306(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting before the semicolon “, that is explicitly linked to the statutory or other legal authorities of the agency”;

(2) in paragraph (2), by inserting before the semicolon “, that are explicitly linked to the statutory or other legal authorities of the agency”;

(3) by striking “and” at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting a semicolon, and by adding at the end the following new paragraphs:

“(7) a specific identification of any agency functions and programs that are similar to those of more than one component of the agency or those of other agencies, and an explanation of coordination and other efforts the agency has undertaken within the agency or with other agencies to ensure that such similar functions and programs are subject to complementary goals, strategies, and performance measures;

“(8) a description of any major management problems (including but not limited to programs and activities at high risk for waste, abuse, or mismanagement) affecting the agency that have been documented by the inspector general of the agency (or a comparable official, if the agency has no inspector general), the General Accounting Office, and others, and specific goals, strategies, and performance measures to resolve those problems; and

“(9) an assessment by the head of the agency of the adequacy and reliability of the data sources and information and accounting systems of the agency to support its strategic plans under this section and performance plans and reports under sections 1115 and 1116 (respectively) of title 31, and, to the extent that material data or system inadequacies exist, an explanation by the head of the agency of how the agency will resolve them.”.

(b) **RESUBMISSION OF AGENCY STRATEGIC PLANS.**—Section 306 of title 5, United States Code, is amended—

(1) in subsection (b), by striking “submitted,” and all that follows through the end of the subsection and inserting the following: “submitted. The strategic plan shall be updated, revised, and resubmitted to the Director of the Office of Management and Budget and the Congress by not later than September 30 of 1998 and of every third year thereafter.”; and

(2) in subsection (d), by inserting “and updating” after “developing”, and by adding at the end thereof: “The agency head shall provide promptly to any committee or subcommittee of the Congress any draft versions of a plan or other information pertinent to a plan that the committee or subcommittee requests.”.

(c) **FORMAT FOR STRATEGIC PLANS.**—Section 306 of title 5, United States Code, is amended by redesignating subsection (f) as subsection (g), and by inserting after subsection (e) the following new subsection:

“(f)(1) The strategic plan shall be a single document that covers the agency as a whole and addresses each of the elements required by this section on an agencywide basis. The head of an agency shall format the strategic plans of the agency in a manner that clearly demonstrates the linkages among the elements of the plan.

“(2)(A) The head of each executive department shall submit with the departmentwide strategic plan a separate component strategic plan for each of the major mission-related components of the department. Such a component strategic plan shall address each of the elements required by this section.

“(B) The head of an agency that is not an executive department shall submit separate component plans in accordance with subparagraph (A) to the extent that doing so would, in the judgment of the head of the agency, materially enhance the usefulness of the strategic plan of the agency.”.

SEC. 3. AMENDMENTS RELATING TO PERFORMANCE PLANS AND PERFORMANCE REPORTS.

(a) **GOVERNMENTWIDE PROGRAM PERFORMANCE REPORTS.**—Section 1116 of title 31, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

“(f)(1) No later than March 31, 2000, and no later than March 31 of each year thereafter, the Director of the Office of Management and Budget shall prepare and submit to the Congress an integrated Federal Government performance report for the previous fiscal year.

“(2) In addition to such other content as the Director determines to be appropriate, each report shall include actual results and accomplishments under the Federal Government performance plan required by section 1105(a)(29) of this title for the fiscal year covered by the report.”.

(b) INSPECTOR GENERAL REVIEW OF AGENCY PERFORMANCE PLANS AND PERFORMANCE REPORTS.—

(1) IN GENERAL.—Chapter 11 of title 31, United States Code, is amended by adding at the end the following:

“§ 1120. Inspector general review of agency performance plans and performance reports

“(a) The inspector general of each agency (or a comparable official designated by the head of the agency, if the agency has no inspector general) shall develop and implement a plan to review the implementation by the agency of the requirements of sections 1115 and 1116 of this title and section 306 of title 5. The plan shall include examination of the following:

“(1) Agency efforts to develop and use performance measures for determining progress toward achieving agency performance goals and program outcomes described in performance plans prepared under section 1115 of this title and performance reports submitted pursuant to section 1116 of this title.

“(2) Verification and validation of selected data sources and information collection and accounting systems that support agency performance plans and performance reports and agency strategic plans pursuant to section 306 of title 5.

“(b)(1) In developing the review plan and selecting specific performance indicators, supporting data sources, and information collection and accounting systems to be examined under subsection (a), each inspector general (or designated comparable official, as applicable) shall consult with appropriate congressional committees and the head of the agency, including in determining the scope and course of review pursuant to paragraph (2).

“(2) In determining the scope and course of review, consistent with available resources, each inspector general (or designated comparable official, as applicable) shall emphasize those performance measures associated with programs or activities for which—

“(A) there is reason to believe there exists a high risk of waste, fraud, or mismanagement; and

“(B) based on the assessment of the inspector general, review of the controls applied in developing the performance data is needed to ensure the accuracy of those data.

“(c) Each agency inspector general (or designated comparable official, as applicable) shall submit the review plan to the Congress and the agency head at least annually, beginning no later than October 31, 1998.

“(d) Each agency inspector general (or designated comparable official, as applicable) shall conduct reviews under the plan submitted under subsection (c), and submit findings, results, and recommendations based on those reviews to the head of the agency and the Congress, by not later than April 30 and October 31 of each year. In the case of reviews by an agency inspector general, such submission shall be made as part of the semiannual reports required under section 5 of the Inspector General Act of 1978.”.

(2) CONFORMING AMENDMENT.—Section 1115(f) of title 31, United States Code, is amended in the matter preceding paragraph (1) by striking “1119” and inserting “1120”.

(3) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 11 of title 31, United States Code, is amended by adding at the end the following new item:

“1120. Inspector general review of agency performance plans and performance reports.”.

(c) REQUIREMENT TO USE FULL COSTS AS PERFORMANCE INDICATOR.—Section 1115(a)(4) of title 31, United States Code, is amended by inserting before the semicolon at the end the following: “, which shall include determination of the full costs (as that term is used in the most recent Managerial Cost Accounting Standards of the Federal Financial Accounting Standards) of each program activity”.

SEC. 4. LIMITATION ON AUTHORITY TO EXEMPT THE COUNCIL ON ENVIRONMENTAL QUALITY.

Section 1117 of title 31, United States Code, is amended by inserting before the period the following: “, except that the Director may not exempt the Council on Environmental Quality”.

SEC. 5. SUBMISSION OF AGENCY FINANCIAL STATEMENTS.

Section 3515(a) of title 31, United States Code, is amended—
 (1) by striking “1997” and inserting “1999”; and
 (2) by inserting “the Congress and” after “and submit to”.

SHORT SUMMARY OF LEGISLATION

H.R. 2883 amends the Government Performance and Results Act of 1993 (Results Act) to require Federal agencies to add details about overlapping programs, major management problems, and reliability of data resources to their 5-year strategic plans and re-submit them by the end of September 1998. The bill also requires agency inspectors general, (or comparable officials if the agency has no inspector general), to assess and report to Congress on the reliability and integrity of agency performance plans and reports. Under the legislation, the Office of Management and Budget (OMB) must submit government wide performance reports on the same schedule as annual agency performance reports.

I. BACKGROUND AND NEED FOR LEGISLATION

The Government Performance and Results Act of 1993 (P.L. 103–62) was passed to improve the efficiency and effectiveness of Federal programs by requiring agency managers to set goals for program performance and to measure results. While the Results Act was passed in 1993, the Act provided for a phase-in period for three years preceding 1997, to allow for strategic planning and performance budgeting pilot projects managed by OMB. 1997 was the year that all Federal agencies had to consult with Congress on their draft 5-year strategic plans in order to submit final plans in September 2000. Currently under the Results Act, agency 5-year strategic plans are not due for re-submission for another three years after September 1997.

CONGRESSIONAL EFFORTS TO ENSURE RESULTS ACT COMPLIANCE

To ensure Federal agency compliance with the Results Act, House Majority Leader Dick Armey began in January 1997 to engage Congress-wide attention to the consultation process agencies must engage in with Congress regarding their draft strategic plans. In the spring of 1997, in anticipation of these consultations, congressional teams were formed around each of the 24 largest Federal agencies and departments—those whose total annual outlays make up 98% of the Federal budget. Republican and Democratic staff from the authorizing, Budget, and Appropriations committees were invited to participate on the teams. Senate staff and specialists from the General Accounting Office (GAO) also participated. Each team then became involved in an effort to communicate and consult with agencies regarding their strategic plans.

In most cases, even though the plans were due September 30—and to OMB 45 days prior to that—Federal agencies had not initiated the consultation process with Congress in the spring of 1997. It appeared that many agencies had not given adequate priority to the requirement to consult with Congress on the draft plans, and thus had no draft plan ready with which to engage with Congress in a consultative process regarding the direction and policies of their agencies.

STRATEGIC PLANS LACK FUNDAMENTAL ELEMENTS

Finally, by mid-summer of 1997, Congress and the GAO had obtained a majority of the 24 draft plans. However, as reviews of the plans got underway, it became apparent that major statutorily required elements were missing from the plans. For example, many agencies' mission statements did not cover the agency's primary functions, nor were they focused on results. Most of the plans were missing an explanation of key external factors that could affect accomplishment of their goals. A description of what program evaluations were used to develop the plan was also missing from most plans.

In addition to the elements required by statute, congressional reviews found that several common-sense elements were missing from the plans as well. OMB guidance and GAO reports had recommended that agencies include clear linkages to their statutory authorities in their mission statements and strategic goals. Including such linkages provides a check against "mission creep," or, in other words, goals that conflict with or go beyond the agency's mandates. During consultations, many congressional staff teams even encouraged agencies to append a list of their statutory authorities to their strategic plan, thinking this might force agencies to maintain focus on their given purpose. Such an exercise might also get agencies to recognize where there might be conflicting, or duplicative mandates. However, very few agencies linked their mission statements and goals to statutory authorities in their draft plans. H.R. 2883 makes this linkage mandatory.

Working with the Democratic staff, the original language in H.R. 2883 was amended to clarify that agencies should also link their mission statements and goals to other legal authorities (such as executive orders, court orders, and regulations), not just those mandated by the legislative branch. The Results Act envisions clear, concise, succinct mission statements, goals, and objectives, and expects them to be clearly grounded in the agency's legal authorities.

In addition to linkage problems, most agency draft plans either ignored or gave insufficient attention to OMB and GAO guidance suggesting that plans address major management weaknesses, data capacity and reliability, and duplicative, or "cross-cutting", functions and programs. All of these areas are highly relevant to most, if not all, major agencies. However, it appeared that because these elements were not actually required by law, many agencies felt it was not necessary to include them in their strategic plans. H.R. 2883 thus mandates these common-sense elements.

AGENCIES GET FAILING GRADES FOR DRAFT STRATEGIC PLANS

In order to fully ascertain compliance with the law, and to get a sense of the overall quality of the draft strategic plans, the congressional teams developed a list of scoring criteria against which to review—with consistency—all of the 24 agency strategic plans. The criteria were shared with OMB. In what became regular telephone conferences between congressional staff and OMB officials, OMB agreed as to the validity of the criteria. No official criticism or endorsement of the criteria was put forth by OMB officials before congressional grading began. While OMB and some agency of-

ficials have voiced their opposition to the congressional assessments, or grading, of the strategic plans, there is clear evidence that this activity stimulated agencies to improve their plans by an average of close to 50% in just a few weeks time.

Grading criteria

Congressional grading criteria consisted of 7 requirements from the Results Act itself, and 3 others taken from the Act's legislative history, OMB Circular A-11 Part 2, and a May 1997 GAO review guide for strategic plans:

Mission Statement: Does it cover the agency's major functions, reflect its statutory authority, and bring the agency into focus in a results-oriented way?

General (strategic) goals and objectives: Are they comprehensive, consistent with statutory authority, results-oriented, measurable, and realistic?

Strategies to achieve goals: Do they explain specifically and clearly how the agency will accomplish its goals?

Relationship between general goals and annual performance goals: Does the agency demonstrate that it will be accountable for its accomplishments through tangible, outcome-oriented performance measures?

Key external factors: Has the agency identified factors beyond its control that could impede attainment of its goals and say how it plans to mitigate their impact?

Program evaluations: Has the agency explained what program evaluations were used in developing its plan and tell how it will use them in the future?

Treatment of cross-cutting functions: Does the plan describe agency functions and programs that are similar to those of other agencies and indicate how it has coordinated them?

Treatment of major management problems: Does the plan address major problems of fraud, waste, and mismanagement affecting the agency and demonstrate a firm commitment to resolve them?

Data capacity: Does the agency have adequate data and accounting systems to implement its plan, and if not, does it acknowledge weaknesses and explain how it will deal with them?

Congressional and stakeholder consultations: Was the agency timely, open-minded, and constructive in soliciting and responding to feedback on its plan from Congress and other stakeholders?

Congressional teams spent the month of August 1997 grading the agency draft strategic plans using the criteria set forth above. The grades were released the first week of September and are shown in the chart below.

Grades for Agencies' Draft Strategic Plans

Social Security Administration	62
Education	60
Justice	52.5
Nuclear Regulatory Commission	50
State	42
National Science Foundation	42
Veterans Affairs	37.5
General Services Administration	35
Federal Emergency Management Agency	32.5
Transportation	28

Grades for Agencies' Draft Strategic Plans—Continued

Environmental Protection Agency	27
Interior	26.5
Treasury	26.5
Agency for International Development	25.5
Defense	25
Health and Human Services	24
NASA	23.5
Small Business Administration	21
Energy	18.5
Commerce	15.5
Housing and Urban Development	15.5
Agriculture	11
Office of Personnel Management	11
Labor	6.5

The results of these interim evaluations were alarming. Only 4 of the 24 agencies received grades of 50 or more for their draft strategic plans. The highest grade was 62 out of a possible 105. The average grade was 29.9. Many plans were missing statutory elements and fell short of minimal quality standards. Seventeen out of 24 plans graded a “0” for a least one statutory element. Half of the agency plans graded “0” on two or more statutory elements. The Labor Department’s plan was missing 5 of the 6 statutorily required elements.

Clearly, agencies’ technical compliance with the elements required by law was a significant problem in the draft plans. With these fundamental elements missing from the draft plans, Congress had been unable to have the substantive policy consultations with agencies that the Act had envisioned.

AGENCIES FINAL PLANS ALSO GET FAILING GRADES

Using the same criteria used to assess the draft strategic plans, the congressional teams graded the final plans as they came due several weeks later on September 30, 1997. The average grade was 46.6 for the final plans, up from 29.9 for the draft plans. Much of this improvement is attributable to agency compliance with the letter of the law. Unlike the drafts, all of the final plans now have some content addressing each of the six statutorily required elements for strategic plans. However, very few of the final plans are acceptable in terms of quality. Only two of the 24 agencies, Transportation and Education, submitted final plans that can be considered adequate from a technical quality (although not necessarily a policy) viewpoint.

Grades for Agencies Final Strategic Plans

Transportation	75
Education	73
National Science Foundation	69
Social Security Administration	68
NASA	67
Nuclear Regulatory Commission	59
Treasury	52.5
Federal Emergency Management Agency	51
Justice	49.5
Veterans Affairs	49.5
Environmental Protection Agency	44
Health and Human Services	43
Energy	42.5
State	41

Grades for Agencies Final Strategic Plans—Continued

General Services Administration	40.5
Housing and Urban Development	40.5
Agriculture	39
Agency for International Development	36
Office of Personnel Management	31
Small Business Administration	31
Interior	29.5
Labor	29.5
Defense	28.5
Commerce	28

AGENCIES NEED TO RESUBMIT STRATEGIC PLANS SEPTEMBER 1998

The core requirement of H.R. 2883 is that agency strategic plans be updated and revised sooner, rather than later. Most of the draft plans submitted for Congressional consultations were so defective, they failed to provide a basis for the substantive policy review and dialogue that the consultation requirement was intended to stimulate. In addition, the final plans still do not provide clear answers to core Results Act questions, such as where the agency is going, how it will get there, and whether it is headed in the right direction. As Chris Mihm of GAO testified on February 12, 1998:

* * * [T]he strategic plans often lacked clear articulations of agencies' strategic directions; in short, a sense of what the agencies were trying to achieve and how they proposed to do it. Many agency goals were not results oriented. The plans often did not show clear linkages among planning elements, such as goals and strategies. And, furthermore, the plans frequently had incomplete and underdeveloped strategies.

Because these plans are still severely deficient in many regards, H.R. 2883 calls on agencies to submit another round of strategic plans by September 30 of next year, instead of waiting for three years for revised plans as the original Act provides.

BI-PARTISAN EFFORTS REJECTED

The Republican staff of the committee made several attempts to bring both OMB and the Democratic staff to the table to work out their concerns with H.R. 2883. Offers were made to push the due date back past September 30; to narrow the scope of agencies asked to re-submit their plans to the worst of the 24 major agencies; to work on legislation that would consolidate redundant reporting requirements that may be contained in the various management reform laws. We asked OMB if there was anything we could do to get their support for this legislation. We were turned down flat.

It concerns a number of the Members of this Committee that this Administration does not support bringing agency strategic plans up to standard. It is disturbing that OMB, in particular, may not fully support the Results Act and its potential to change the way our federal government does business. Instead, it appears that the Results Act is viewed as a burdensome paper exercise to be suffered through, rather than a worthwhile culture change an agency undertakes to improve inefficiencies and provide better quality performance to the American public.

OTHER CONCERNS—FORMAT FOR STRATEGIC PLANS

OMB Circular A-11 Part 2 allows agencies to submit separate plans for their component organizations along with an agency-wide “overview” document that contains only a mission statement and general goals. This option was intended for use by “conglomerate” federal departments—such as the Commerce or Treasury Departments—made up of component organizations that perform essentially unrelated functions. It is questionable whether the Results Act permits agencies to avoid, in this manner, preparing a comprehensive and cohesive plan that addresses all of the statutory requirements for strategic plans. In any event, this option has not worked in practice. Agency draft plans using this option were the most deficient that were reviewed. They were generally incoherent, and many of the statutory elements simply were not there. Examples are the plans for the Departments of Agriculture, Interior and Labor.

While component plans are not a substitute for agency-wide plans, they can be quite useful. They are particularly important for Cabinet departments, which tend to contain diverse functions. Therefore, H.R. 2883 requires that Cabinet departments submit component plans for their major line organizations. Other agencies are encouraged to submit component plans where doing so would materially enhance the presentation of the agency’s plan.

In reviewing most draft plans, it was difficult to understand how, or even whether, the various plan elements fit together. H.R. 2883 is intended to require that plans clearly demonstrate the linkages among the plan’s components while leaving agencies flexibility to decide how best to do this. Highlighting these linkages will both enhance understanding of the plans and impose a useful discipline on agencies to ensure that the linkages in fact exist.

OTHER CONCERNS—INSPECTOR GENERAL REVIEWS OF PERFORMANCE DATA

Until now, agency offices of inspectors general (OIGs) have not been required by law to play a role in helping ensure Results Act compliance by their agencies. However, in an August 1996 report issued by the President’s Council on Integrity and Efficiency (PCIE), appropriate approaches to Results Act work by agency inspectors general were determined according to survey responses from 54 out of the 57 OIG’s. The survey’s principal conclusion was that most IG’s believe their offices should perform independent audits and reviews of agency performance data and indicators. In fact, a significant number of the PCIE respondents (about 70%) said they planned to conduct audits/reviews on data collection techniques, results measurement and reporting, data reliability, relevance of agency performance measures, data systems reliability and validity of reported results. Inspectors general are the ideal source to ensure that performance reports are accurate and are based on the best available data. They are located within the agency and have complete and immediate access to agency information and personnel. Republican and Democratic congressional staff worked closely with several key IG’s to ensure that H.R. 2883

clearly defines the role for IG's in working with Congress to come up with a review plan to accomplish this important activity.

OTHER CONCERNS—GOVERNMENT-WIDE PROGRAM PERFORMANCE
REPORTS

The Results Act now requires annual performance plans and reports from each federal agency, and an annual government-wide performance plan from OMB. However, it fails to require an annual government-wide performance report from OMB. H.R. 2883 addresses this oversight. An annual government-wide performance report is a natural complement to the other requirements and provides an essential means to assess the results of the applicable government-wide plan.

II. LEGISLATIVE HEARINGS AND COMMITTEE ACTIONS

H.R. 2883 was introduced on November 7, 1997 by the Honorable Dan Burton (R-IN), Chairman of the Government Reform and Oversight Committee. The bill was referred to the Committee on Government Reform and Oversight on November 7, 1997, then referred to the Subcommittee on Government Management, Information, and Technology. The subcommittee held a legislative hearing on February 12, 1998. A mark up was held by the subcommittee on March 3 and March 4, 1997. Mr. Horn (R-CA) offered a set of en bloc amendments to the bill defining the role of inspectors general under the Results Act. Mr. Horn's en bloc amendments were approved by voice vote. Mr. Horn offered a second amendment to the bill to require the use of full costs as performance indicators. Mr. Horn's second amendment passed by voice vote. Mr. Horn offered a third amendment to the bill to require that agency financial statements be submitted to Congress. Mr. Horn's third amendment passed by voice vote. An amendment was offered by Mr. Sessions (R-TX) to require that the Council on Environmental Quality be subject to the Results Act. Mr. Sessions amendment passed on voice vote. An amendment was offered by Mr. Waxman (D-CA) to apply the Results Act to Congress. Mr. Waxman's amendment failed on voice vote. Mr. Kucinich (D-OH) offered an amendment to strike the requirement that agencies re-submit their strategic plans by September 30, 1998. Mr. Kucinich's amendment was failed on voice vote. Mr. Kucinich offered a second amendment regarding linking mission statements to statutory authorities. Mr. Kucinich's second amendment was withdrawn. Mr. Kucinich offered a third amendment regarding reporting requirements under the Federal Managers' Financial Integrity Act of 1982. Mr. Kucinich's third amendment was withdrawn. Ms. Maloney (D-NY) offered an amendment to apply the Results Act to the Federal Reserve. Ms. Maloney's amendment was withdrawn. The measure was ordered favorably reported to the full Committee by a voice vote.

On March 5, 1998, the full Committee met to consider the bill. Representative Horn offered an amendment in the nature of a substitute. An amendment to the amendment was offered by Mr. Horn to add "or other legal authorities" to the requirement that agencies link their strategic plans to statutory authorities. Mr. Horn's amendment was approved by voice vote. Mr. Kucinich offered an

amendment to the amendment to apply the Results Act to the committees of the House of Representatives and the Senate. Mr. Kucinich's amendment was defeated by voice vote. Mr. Kucinich offered a second amendment to the amendment to strike the requirement that agencies re-submit their strategic plans by September 30, 1998. Mr. Kucinich's second amendment was defeated by voice vote. The committee approved the amendment in the nature of a substitute, as amended, by voice vote. The committee approved the bill, as amended, by recorded vote, 21 ayes, 12 noes. The committee then favorably reported the bill, as amended, to the House by voice vote.

III. COMMITTEE HEARINGS AND WRITTEN TESTIMONY

On February 12, 1998, the Subcommittee on Government Management, Information, and Technology held formal hearings on H.R. 2883. Witnesses at the hearing were: Chris Mihm, Assistant Director, Federal Management and Workforce Issues of the General Government Division, U.S. General Accounting Office (GAO); Professor Robert M. Grant, School of Business Administration, Georgetown University; the Honorable Maurice P. McTigue, distinguished visiting scholar, Center for Market Processes, George Mason University; and the honorable G. Edward DeSeve, Acting Deputy Director, Office of Management and Budget.

Chris Mihm testified that, according to GAO's review, the agencies' final strategic plans are minimally compliant with the six statutory requirements of the Results Act, but are sorely deficient in several areas of critical importance. In his words:

* * * [A]lthough agency plans include the basic legislative requirements, I think there can be little argument that substantive challenges remain. In our view, among the most pressing challenges are: first, the need to better articulate a strategic direction; second improve the coordination of crosscutting program efforts; and, third, build reliable data systems and analytic capacity.

* * * [T]he strategic plans often lacked clear articulations of agencies' strategic directions; in short, a sense of what the agencies were trying to achieve and how they proposed to do it. Many agency goals were not results oriented.

The plans often did not show clear linkages among planning elements, such as goals and strategies. And, furthermore, the plans frequently had incomplete and underdeveloped strategies.

Mr. Grant testified that private sector firms do not do strategic planning just for the sake of creating strategic plans. "The reason why companies do it is in order to improve the quality of their decision-making and, through that, to enhance their performance," he stated. He discussed four ways in which strategic planning can enhance performance of an organization. First, it forces establishing a consensus regarding medium and long-term goals and how the goals are to be achieved. Second, it forces top management focus on long-term performance rather than on day-to-day operational issues that occupy much of their time. Third, it creates a dialogue

within the organization between people at different levels, departments, and divisions of the organization. Finally, strategic planning establishes a structure within which objectives can be agreed and in which performance can be reviewed to the extent objectives are achieved.

Mr. Grant also spoke about general trends taking place with regard to private sector strategic planning. One trend is that strategic plans have become less focused on detailed decisions about resource allocation, and much more upon establishing the overall direction and clear performance targets. He indicated that one effect of that close emphasis on linking strategic planning with performance targets has been that financial planning has become much more closely integrated in the strategic planning process. Another trend he said was that there is much greater involvement of top management along with a recognition that the responsibility for strategic management lies with top management.

Mr. McTigue based his testimony on his experiences having been an elected representative of the Parliament of New Zealand and having spent a period of time as a cabinet minister in the Government of New Zealand during a time when that country was undergoing major changes as a result of management reforms similar to the Results Act. He said that the major winners of the Results Act process are the Members of Congress, whom it empowers with information regarding what it is that the Executive is doing and how successfully it is doing those things. Without this information, he said, Congress cannot exercise the authority that is vested in it to oversee, on behalf of taxpayers, the activities of the Executive.

With regard to Congress' efforts to ensure quality strategic plans, Mr. McTigue stressed that we have to be very careful in accepting plans that are not up to standard. The risk, he stated, "is that you set a precedent by a laissez-faire attitude that will make it acceptable for plans in the future to be submitted that don't meet those standards."

On behalf of the Office of Management and Budget (OMB), Mr. DeSeve testified regarding his opposition to H.R. 2883. His concern is that enactment of this legislation could impede successful implementation of the performance planning efforts under the Results Act. Under the Act, agencies are to submit annual performance plans which provide much more detail about how the agencies plans to meet its mission and goals as stated in the strategic plans.

According to Mr. DeSeve, the requirements of H.R. 2883 would be too burdensome and the net results of having to concurrently prepare revised strategic plans, revised performance plans for FY 99, and initial performance plans for FY 2000 "would be to substantially diminish the quality of all three. Instead, Mr. DeSeve is not opposed to individual agencies deciding on their own to revise their plans. "To be clear," he said, "agencies that believe it is advantageous to resubmit their strategic plans can and should do so."

Asked to respond to the point made by Mr. DeSeve that agencies should decide whether to resubmit their plans, Mr. McTigue pointed out that he would not advocate this course of action. Accountability, he explained, "means that somebody else can look at your actions and decide whether or not they meet the standard required."

Mr. DeSeve explained that revisions to the Act should wait until authorizers and appropriators are more engaged in using the plans. Representative Sessions, who was chairing the subcommittee hearing, then submitted a letter for the record addressed to full committee Chairman Dan Burton from the following members of Congress: Majority Leader Armev, Senate Republican Policy Chairman Larry Craig, Budget Committee Chairman John Kasich, Judiciary Committee Chairman Henry Hyde, International Relations Chairman Ben Gilman, Science Committee Chairman Jim Sensenbrenner, Committee Chairman Tom Bliley, Veterans' Affairs Chairman Bob Stump, Small Business Committee Chairman Jim Talent, and Education and Workforce Committee Chairman Bill Goodling. The members in this letter voiced their support for agencies to resubmit their strategic plans by September 30th, 1998, rather than waiting 3 years for improved plans.

Implying again that H.R. 2883's mandate would be too burdensome, Mr. DeSeve expressed concern that the directive for agencies to revise their strategic plans was too generalized. He said that while Congress might intend for agencies to "look at those very specific elements in the plan that are troublesome and revise them," agencies would not get that same message. However, GAO and congressional assessments of the agency strategic plans are very specific about the weaknesses within each agency plan. H.R. 2883 is also specific about requiring agencies to address three fundamental, but not statutorily-required elements: longstanding management problems, cross-cutting functions, and data capacity and integrity.

IV. EXPLANATION OF THE BILL—SECTION-BY-SECTION ANALYSIS

Sec. 1. Short title

This section provides that the Act may be cited as the "Government Performance and Results Act Amendments of 1998."

Sec. 2. Amendments relating to strategic plans

Subsection (a) amends section 306(a) (1) and (2) of title 5, United States Code, to require that strategic plans explicitly link mission statements and strategic goals to the agency's statutory and other legal authorities. It also amends section 306(a) by adding three new paragraphs providing additional content for strategic plans. Specifically, these paragraphs require that the plans—

- identify cross-cutting functions and programs within the agency or with other agencies and explain what actions have been taken to ensure that they are subject to complementary goals, strategies, and performance measures;

- describe any major management problems affecting the agency, including high-risk areas, and incorporate specific goals, strategies, and performance measures to resolve them; and

- provide an assessment by the agency head of the agency's capacity in terms of data sources as well as information and financial management systems to support its plans and reports under the Act.

Subsection (b) amends section 306(b) of title 5 to require that agencies update and revise their strategic plans by September 30, 1998. It also amends section 306(d) to provide explicitly that Congressional committees and subcommittees are entitled to information pertaining to the strategic plans.

Subsection (c) adds a new subsection (g) to section 306 of title 5 to establish format requirements for strategic plans. It requires each strategic plan to be formatted as a single, integrated document that covers the agency as a whole and addresses each of the statutory elements on an agency-wide basis, and that clearly demonstrates the linkages among the elements of the plan. It further requires executive departments to submit separate strategic plans for their major mission-related components to accompany their department-wide plans. The separate component plans are to address all of the statutorily required strategic plan elements. Finally, it encourages agencies other than executive departments to submit separate component plans to the extent the agency head determines that doing so would materially enhance the usefulness of the agency-wide plan.

Sec. 3. Amendments relating to performance plans and performance reports

Subsection (a) amends section 1116 of title 31, United States Code, to require the Office of Management and Budget to submit to Congress a Federal Government Performance Report beginning no later than March 31, 2000, and no later than March 31 of each year thereafter.

Subsection (b) amends Chapter 11 of title 31 to add a new section entitled "Inspector general review of agency performance plans and reports." The new section requires inspectors general (or comparable official if the agency has no inspector general) to develop and implement a review plan to examine agency efforts to develop and use performance measures. The review plan must contain a strategy for verifying and validating selected data sources and systems that support agency performance plans and reports.

In developing the review plan, the inspectors general shall consult with the appropriate congressional committees and the agency head. In determining the scope and course of review of the review plan, each inspector general shall emphasize the performance measures and data systems believed to be at higher risk for waste, fraud, or mismanagement.

The inspectors general shall submit their review plans to Congress and the agency head at least annually, beginning no later than October 31, 1998.

The inspectors general must also implement their review plans and submit findings, results, and recommendations to Congress and the agency head by not later than April 30 and October 31 of each year, or as part of the inspectors general semiannual reports.

Subsection (c) amends section 1115(a)4 of title 31, to require agencies to provide a determination of "full costs" of each program activity for the performance indicators in performance plans.

Sec. 4. Limitation on authority to exempt the Council on Environmental Quality

This section amends section 1117 of title 31 to require the Council on Environmental Quality to comply with the Government Performance and Results Act of 1993.

Sec. 5. Submission of agency financial statements

This section amends section 3515(a) of title 31 to require that agencies annual audited financial statements submitted to the Office of Management and Budget are also submitted to Congress.

V. COMPLIANCE WITH RULE XI

Pursuant to rule XI, clause 2(1)(3)(A) of the Rules of the House of Representatives, under the authority of rule X, clause 2(b)(1), the results and findings from committee oversight activities are incorporated in the bill and this report.

VI. BUDGET ANALYSIS AND PROJECTIONS

H.R. 2883, as amended, provides for no new authorization, budget authority, or tax expenditures. Consequently, the provisions of section 308(a)(1) of the Congressional Budget Act of 1994 are not applicable.

VII. COST ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 9, 1998.

Hon. DAN BURTON,
Chairman, Committee on Government Reform and Oversight, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2883, the Government Performance and Results Act Technical Amendments of 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

Enclosure.

H.R. 2883.—Government Performance and Results Act Technical Amendments of 1998

Summary: H.R. 2883 would make several amendments to the Government Performance and Results Act of 1993 (GPRA), which generally requires agencies to define their missions and to measure the performance of their activities in fulfilling those missions. Specifically, the bill would require agencies to: (1) link strategic plans to specific statutory and legal authorities; (2) include additional information in their strategic plans; (3) revise and resubmit the plans by September 30, 1998; and for cabinet-level agencies, (4) submit both a comprehensive strategic plan and separate plans for major agency programs and responsibilities. Additionally, the bill would

require the Office of Management and Budget (OMB) to submit an integrated, government-wide performance report by March 31, 2000. The bill also would require inspectors general to evaluate agency performance plans. Finally, the bill would require that agencies include all costs to the federal government in estimating the performance of program activities.

Much of H.R. 2883 would codify current practice. However, for at least a few agencies, enacting H.R. 2883 would initially increase, perhaps substantially, the cost of implementing GPRA. In the time available, CBO has not been able to estimate the amount of such costs because, by design, GPRA is an iterative, evolving process involving the agency, OMB, and the Congress, and it is very difficult to predict the outcome of such a process for each agency. Additionally, to the extent that such changes improve the quality of the strategic and performance plan developed by agencies, H.R. 2883 could save money over time by leading to more effective management of government agencies. Any effect on spending would be discretionary and subject to appropriation action.

Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 2883 contains no inter-governmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: Parts of H.R. 2883 would codify current practice. For instance, the bill would require that agencies link their strategic plans to specific statutory and legal authorities. According to the General Accounting Office (GAO), which extensively reviewed the strategic plans submitted last fall by the 24 agencies covered by the Chief Financial Officers Act, most agencies already include such information.

The bill also would require that agencies include additional descriptive information with their strategic plans, including identifying functions and activities that are also performed by other agencies, describing major management problems, and assessing the adequacy and reliability of information and accounting systems for implementing GPRA. Again, according to GAO, most agencies already submit much of this information.

Finally, the bill would require that agencies include the full costs to the federal government in estimating the performance of program activities. The Federal Accounting Standards Advisory Board (FASAB) already requires that agencies include all costs in their annual financial reports, but it is unclear whether all agencies comply with that requirement.

Other parts of H.R. 2883 would represent new requirements. The extent of any additional costs would vary, and several provisions could increase costs significantly. For instance, the bill would require that agencies revise and resubmit their strategic plans by the end of this fiscal year. Under current law, agencies do not need to submit a new plan until the end of fiscal year 2000, although they can submit revised plans sooner. The amount of any additional costs would depend on the extent to which agencies revise their initial plans as a result of consulting with the Congress, the Administration, and other stakeholders. Because GPRA is naturally such an iterative process, it is difficult to estimate how much addi-

tional time and effort would be consumed if many agencies were required to resubmit plans formally rather than simply making changes informally as a result of internal reassessments or consultations with the Congress and OMB.

For cabinet-level agencies, the bill would require that such agencies submit strategic plans for its major components in addition to its department-wide plans. According to GAO, several agencies, such as the Department of Agriculture, Treasury, while other agencies have submitted portions of component plans. In these cases, CBO expects the additional costs would not be significant. For other agencies, such as the Departments of Defense, Health and Human Services, and Commerce, which submitted single, integrated plans, the additional costs could be substantial if they were unable to split their integrated plans into separate, component pieces, and instead had to develop entirely new plans for their component entities. Because CBO has not had enough time to obtain information from these agencies, we cannot estimate the amount of such potential costs.

The bill also would require the inspector general (IG) at each agency to review and report on the implementation of the agency's strategic and performance plans. Again, because GPRA is a fundamental part of most agency budgeting systems, CBO expects that agency IGs already are involved under GPRA. However, because it would require that agency IGs report on their findings and because it could broaden the scope of such efforts, H.R. 2883 would increase such costs. CBO currently has no basis for estimating the amount of these additional costs.

Finally, the bill would require that OMB submit an integrated performance report for the federal government by March 31, 2000. As required by law, OMB included an integrated performance plan as part of the Administration's budget for fiscal year 1999. In future years, OMB could include a report on the government's performance under the previous year's plan within the annual budget. Under that scenario, CBO expects that any additional costs would not be significant.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: H.R. 2883 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: John R. Righter.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

VIII. SPECIFIC CONSTITUTIONAL AUTHORITY FOR THIS LEGISLATION

Clauses 1, 14, and 18 of Article 1, section 8 of the Constitution grant Congress the power to enact this law.

IX. CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted

is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 306 OF TITLE 5, UNITED STATES CODE

* * * * *

§ 306. Strategic plans

(a) No later than September 30, 1997, the head of each agency shall submit to the Director of the Office of Management and Budget and to the Congress a strategic plan for program activities. Such plan shall contain—

(1) a comprehensive mission statement covering the major functions and operations of the agency, *that is explicitly linked to the statutory or other legal authorities of the agency*;

(2) general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the agency, *that are explicitly linked to the statutory or other legal authorities of the agency*;

* * * * *

(5) an identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; **and**

(6) a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations**【.】**;

(7) *a specific identification of any agency functions and programs that are similar to those of more than one component of the agency or those of other agencies, and an explanation of coordination and other efforts the agency has undertaken within the agency or with other agencies to ensure that such similar functions and programs are subject to complementary goals, strategies, and performance measures*;

(8) *a description of any major management problems (including but not limited to programs and activities at high risk for waste, abuse, or mismanagement) affecting the agency that have been documented by the inspector general of the agency (or a comparable official, if the agency has no inspector general), the General Accounting Office, and others, and specific goals, strategies, and performance measures to resolve those problems; and*

(9) *an assessment by the head of the agency of the adequacy and reliability of the data sources and information and accounting systems of the agency to support its strategic plans under this section and performance plans and reports under sections 1115 and 1116 (respectively) of title 31, and, to the extent that material data or system inadequacies exist, an explanation by the head of the agency of how the agency will resolve them.*

(b) The strategic plan shall cover a period of not less than five years forward from the fiscal year in which it is **【submitted, and shall be updated and revised at least every three years.】** *submitted. The strategic plan shall be updated, revised, and resubmitted to the Director of the Office of Management and Budget and the Congress*

by not later than September 30 of 1998 and of every third year thereafter.

* * * * *

(d) When developing *and updating* a strategic plan, the agency shall consult with the Congress, and shall solicit and consider the views and suggestions of those entities potentially affected by or interested in such a plan. *The agency head shall provide promptly to any committee or subcommittee of the Congress any draft versions of a plan or other information pertinent to a plan that the committee or subcommittee requests.*

* * * * *

(f)(1) *The strategic plan shall be a single document that covers the agency as a whole and addresses each of the elements required by this section on an agencywide basis. The head of an agency shall format the strategic plans of the agency in a manner that clearly demonstrates the linkages among the elements of the plan.*

(2)(A) *The head of each executive department shall submit with the departmentwide strategic plan a separate component strategic plan for each of the major mission-related components of the department. Such a component strategic plan shall address each of the elements required by this section.*

(B) *The head of an agency that is not an executive department shall submit separate component plans in accordance with subparagraph (A) to the extent that doing so would, in the judgment of the head of the agency, materially enhance the usefulness of the strategic plan of the agency.*

[(f)] (g) For purposes of this section the term “agency” means an Executive agency defined under section 105, but does not include the Central Intelligence Agency, the General Accounting Office, the Panama Canal Commission, the United States Postal Service, and the Postal Rate Commission.

TITLE 31, UNITED STATES CODE

* * * * *

SUBTITLE II—THE BUDGET PROCESS

* * * * *

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

Sec.

1101. Definitions.

* * * * *

1120. *Inspector general review of agency performance plans and performance reports.*

* * * * *

§ 1115. Performance plans

(a) In carrying out the provisions of section 1105(a)(29), the Director of the Office of Management and Budget shall require each

agency to prepare an annual performance plan covering each program activity set forth in the budget of such agency. Such plan shall—

(1) * * *

* * * * *

(4) establish performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity, *which shall include determination of the full costs (as that term is used in the most recent Managerial Cost Accounting Standards of the Federal Financial Accounting Standards) of each program activity;*

* * * * *

(f) For purposes of this section and sections 1116 through [1119] 1120, and sections 9703 and 9704 the term—

(1) * * *

* * * * *

§ 1116. Program performance reports

(a) * * *

* * * * *

(f)(1) No later than March 31, 2000, and no later than March 31 of each year thereafter, the Director of the Office of Management and Budget shall prepare and submit to the Congress an integrated Federal Government performance report for the previous fiscal year.

(2) In addition to such other content as the Director determines to be appropriate, each report shall include actual results and accomplishments under the Federal Government performance plan required by section 1105(a)(29) of this title for the fiscal year covered by the report.

[(f)] (g) The functions and activities of this section shall be considered to be inherently Governmental functions. The drafting of program performance reports under this section shall be performed only by Federal employees.

§ 1117. Exemption

The Director of the Office of Management and Budget may exempt from the requirements of sections 1115 and 1116 of this title and section 306 of title 5, any agency with annual outlays of \$20,000,000 or less, *except that the Director may not exempt the Council on Environmental Quality.*

* * * * *

§ 1120. Inspector general review of agency performance plans and performance reports

(a) The inspector general of each agency (or a comparable official designated by the head of the agency, if the agency has no inspector general) shall develop and implement a plan to review the implementation by the agency of the requirements of sections 1115 and 1116 of this title and section 306 of title 5. The plan shall include examination of the following:

(1) Agency efforts to develop and use performance measures for determining progress toward achieving agency performance goals and program outcomes described in performance plans prepared under section 1115 of this title and performance reports submitted pursuant to section 1116 of this title.

(2) Verification and validation of selected data sources and information collection and accounting systems that support agency performance plans and performance reports and agency strategic plans pursuant to section 306 of title 5.

(b)(1) In developing the review plan and selecting specific performance indicators, supporting data sources, and information collection and accounting systems to be examined under subsection (a), each inspector general (or designated comparable official, as applicable) shall consult with appropriate congressional committees and the head of the agency, including in determining the scope and course of review pursuant to paragraph (2).

(2) In determining the scope and course of review, consistent with available resources, each inspector general (or designated comparable official, as applicable) shall emphasize those performance measures associated with programs or activities for which—

(A) there is reason to believe there exists a high risk of waste, fraud, or mismanagement; and

(B) based on the assessment of the inspector general, review of the controls applied in developing the performance data is needed to ensure the accuracy of those data.

(c) Each agency inspector general (or designated comparable official, as applicable) shall submit the review plan to the Congress and the agency head at least annually, beginning no later than October 31, 1998.

(d) Each agency inspector general (or designated comparable official, as applicable) shall conduct reviews under the plan submitted under subsection (c), and submit findings, results, and recommendations based on those reviews to the head of the agency and the Congress, by not later than April 30 and October 31 of each year. In the case of reviews by an agency inspector general, such submission shall be made as part of the semiannual reports required under section 5 of the Inspector General Act of 1978.

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CHAPTER 35—ACCOUNTING AND COLLECTION

* * * * *

SUBCHAPTER II—ACCOUNTING REQUIREMENTS, SYSTEMS, AND INFORMATION

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§ 3515. Financial statements of agencies

(a) Not later than March 1 of [1997] 1999 and each year thereafter, the head of each executive agency identified in section 901(b) of this title shall prepare and submit to the Congress and the Director of the Office of Management and Budget an audited financial statement for the preceding fiscal year, covering all accounts and

associated activities of each office, bureau, and activity of the agency.

* * * * *

X. COMMITTEE RECOMMENDATION

On March 5, 1998, a quorum being present, the Committee on Government Reform and Oversight ordered the bill, as amended, favorably reported.

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT—105TH CONGRESS ROLLCALL

Date: March 12, 1997.
 Summary: Final Passage of H.R. 2883, as amended.
 Offered by: Hon. Dan Burton (IN).
 Recorded vote: 21 ayes; 12 nays.

Name	Aye	Nay	Present	Name	Aye	Nay	Present
Mr. Burton	X			Mr. Waxman		X	
Mr. Gilman				Mr. Lantos		X	
Mr. Hastert	X			Mr. Wise		X	
Mrs. Morella	X			Mr. Owens			
Mr. Shays	X			Mr. Towns		X	
Mr. Schiff				Mr. Kanjorski		X	
Mr. Cox	X			Mr. Condit	X		
Ms. Ros-Lehtinen				Mr. Sanders			
Mr. McHugh	X			Mrs. Maloney		X	
Mr. Horn	X			Mr. Barrett		X	
Mr. Mica	X			Ms. Norton			
Mr. Davis (VA)	X			Mr. Fattah			
Mr. McIntosh	X			Mr. Cummings		X	
Mr. Souder	X			Mr. Kucinich		X	
Mr. Scarborough	X			Mr. Blagojevich		X	
Mr. Shadegg				Mr. Davis (IL)		X	
Mr. LaTourette	X			Mr. Tierney	X		
Mr. Sanford	X			Mr. Turner			
Mr. Sununu	X			Mr. Allen		X	
Mr. Sessions	X			Mr. Ford			
Mr. Pappas	X						
Mr. Snowbarger							
Mr. Barr	X						
Mr. Miller	X						

XI. CONGRESSIONAL ACCOUNTABILITY ACT; PUBLIC LAW 104-1

H.R. 2883, as amended by the Committee, amends the Government Performance and Results Act of 1993 to require Federal agencies to re-submit their strategic plans to Congress by the end of September 1998. The original Act does not apply to the House of Representatives or to the Senate, thus H.R. 2883 does not apply to the Congress.

DISSENTING VIEWS

Democrats strongly supported the Government Performance and Results Act when it became law in 1993. And we continue to strongly support its full and timely implementation. The goal of GPRA was to make our government more accountable to the American people. By requiring agencies to undertake strategic planning and timely performance evaluations, we hoped to streamline government and make it more efficient. The law established a system to set goals for program performance and to measure results to reach that end. It requires Federal program managers to document the success of their programs and, over several years, to tie their programs' successes in meeting goals to annual budget requests. The Government Operations Committee believed that government agencies must be reoriented away from measuring success by inputs (how much money was spent) toward measuring a program's success by outputs (what measurable result was received for the money spent).

We must unfortunately oppose H.R. 2883, the "Government Performance and Results Act Technical Amendments of 1998," as reported by the Committee on Government Reform and Oversight. We say "unfortunately" because the history of the Government Performance and Results Act to date has been remarkable for its bipartisanship. The Act was, after all, passed by a Democratic Congress with Republican support and signed by a Democratic President. We all believe that the government needs to be held accountable to the American people, and that we must continually strive to improve its economy and efficiency.

H.R. 2883 contradicts this spirit. Rather than streamlining government, it will require agencies to repeat work they have just completed. Rather than representing careful planning, it would impose new burdens on federal agencies without adequate consideration to how GPRA is working or what return we can expect from those new burdens.

We fundamentally disagree with the need to amend GPRA at this time. Our position is fully supported by the hearing record on the implementation of this Act. At the full Committee's October 30, 1997, hearing on implementation of the Act, the Director of the Office of Management and Budget (OMB), Franklin D. Raines, testified that "In our May, 1997 Report to Congress on the implementation of the Results Act, we offered no recommendations for changing this Act at this time. Our belief then, as it is today, is that it is premature to determine what changes might be needed or useful, until we can review the value and use of this first set of strategic and annual plans and the experience of the agencies introducing

them.”¹ In addition, GAO has testified that “[GPRA] is a work in progress and has a long way to go until it is fully implemented. We didn’t come across any killing defects in the law, either in concept or implementation. And in our view, we should continue implementing what we have rather than think about changes at this point.”²

If the Majority is intent on moving this legislation forward, we should use this bill as vehicle to amend GPRA so that it applies to Congress. Sound planning and good management practices should apply to all government organizations, not only those in the executive branch. Applying GPRA to Congress might also help us eliminate some of the duplication and overlap which have characterized some Congressional investigations, including this Committee’s investigation of campaign finance violations. As Congress recognized when passing the Congressional Accountability Act in the last Congress, we in Congress write better laws when we have to live by the laws we apply to the Executive branch and the private sector. That principle is certainly true in this case.

If we need an example of why GPRA should apply to Congress, we need look no further than the work of this Committee. The Majority’s campaign finance investigation is a prime example of the wastes and duplication in Congress that could be eliminated if we required Congressional committees to set out clear goals and strategies. We have spent approximately \$5 million on an investigation with no goals, no parameters, and no direction. One week we are discussing allegations of foreign contributions, the next we are examining a dog track in Wisconsin. The biggest potential abuse of all—that the tobacco industry gave \$8.8 million in campaign contributions to Republicans in exchange for a \$50 billion tax credit—the Majority has ignored altogether.

A central requirement of this bill is the re-submission of strategic plans by all covered federal agencies by September 30, 1998, the premise being that the plans submitted less than six months ago were of such universally poor quality that they must all be re-done. That is not a proposition with which we agree. It is difficult to see how requiring the resubmission of strategic plans submitted less than six months ago is consistent with the goals of GPRA, such as reducing waste and redundancy. This requirement would impose a significant administrative burden on federal agencies, especially in light of the additional data the bill would require. The plans submitted on October 1, 1997, were timely and statutorily compliant. From the standpoint of effective management, a better approach would be for the authorizing committee or appropriation subcommittee with direct jurisdiction to exercise more targeted oversight or legislative direction.

The General Accounting Office concluded just last month that the strategic plans submitted last year “provide a workable foundation for Congress to use in helping to fulfill its appropriations, budget, authorization, and oversight responsibilities and . . . for

¹“The Results Act: Are We Getting Results?” Hearing before the Government Reform and Oversight Committee, October 30, 1997, Serial No. 105–60. p. 41.

²“Government Performance and Results Act: Status and Prospects of the Results Act,” Hearing before the Subcommittee on Government Management, Information and Technology of the Government Reform and Oversight Committee, June 3, 1997, Serial No. 105–55. p. 61.

the continuing implementation of the Results Act.”³ The Majority’s insistence on this blanket resubmission is somewhat incomprehensible given OMB’s willingness to work with Congress on this issue. They have offered to write guidance to the agencies directing them to revise their strategic plans if they receive specific requests from the various authorizing and appropriating Committees of jurisdiction. This more targeted approach makes much more sense.

HENRY A. WAXMAN.
DENNIS J. KUCINICH.
TOM LANTOS.
BOB WISE.
MAJOR R. OWENS.
EDOLPHUS TOWNS.
PAUL E. KANJORSKI.
BERNARD SANDERS.
CAROLYN B. MALONEY.
TOM BARRETT.
ELEANOR H. NORTON.
CHAKA FATTAH.
ELIJAH E. CUMMINGS.
ROD R. BLAGOJEVICH.
DANNY K. DAVIS.
JIM TURNER.
TOM ALLEN.
HAROLD E. FORD, Jr.

○

³“Managing for Results”, General Accounting Office (GAO/GGD-98-44), January 1998, p. 3.