

Committee on Government Reform  
Oversight Plan  
109<sup>th</sup> Congress  
Honorable Tom Davis  
Chairman

Rule X, Clause 2(d) of the Rules of the House requires each committee of the House to adopt and submit a two-year oversight plan to the Committees on Government Reform and House Administration by February 15 of the first session of Congress.

The following is the oversight plan for the Committee on Government Reform for the 109<sup>th</sup> Congress. It details areas in which the committee and subcommittees expect to conduct oversight during the 109<sup>th</sup> Congress, but does not preclude oversight or investigation of additional matters as the need arises.

Activities for the 109<sup>th</sup> Congress  
Full Committee

National Guard and Reserve Oversight

The Committee will continue to monitor Title 10 and Title 32 readiness issues of the National Guard, including manpower, equipment, and training. The Committee's oversight will focus on new Army Modularity Initiative and Air Force Future Total Force Transformation and their effects on National Guard missions abroad and at home. The Committee will continue examination of the Department of Defense (DOD) and military service administrative processes and regulations involving the care of injured Guard and Reserve, including monitoring the execution of the Army's Community Based Health Care Initiative. Future work will include investigating the long term effects of military service on Guard and Reservist life. The Committee will continue to monitor the administration and integration of military pay systems at DOD including Forward Compatible Pay and Defense Integrated Military Human Resources System. General oversight will continue on the resourcing and readiness of all Reserve Components.

Homeland Defense and Military Assistance to Civilian Authorities for Homeland Security

The Committee will continue to monitor the role of the National Guard in homeland defense, homeland security, and military assistance to civilian authorities. Additionally, the Committee will monitor the execution of Title 32, Chapter 9 and examine other emerging statutory and regulatory changes needed to promote protection of the homeland, as well as the interaction between federal and state entities on the use of the National Guard. The Committee will examine the interaction between the Department of Defense and the Department of Homeland Security in defining their common roles and responsibilities in homeland security and homeland defense. The

Committee will examine joint training and exercises between National Guard, Active Duty, State, and civilian entities in preparation for a terrorist event.

### United States Postal Service

In April 2001, the Government Accountability Office placed the Postal Service's transformation efforts and its long-term prospects on its list of high-risk areas. The Postal Service remains on that list. In addition to pursuing critically-needed legislative reform, the Committee will continue to monitor the Postal Service's internal efforts to reform its management and control costs. Specifically, the Committee will monitor the Postal Service's implementation of its own Transformation Plan, issued in April, 2002. In addition, while many of the recommendations of the July, 2003 report of the President's Commission on the United States Postal Service were recommendations for legislative action, many were recommendations directed to the Postal Service itself. The Committee will monitor the Postal Service's implementation of these recommendations as well.

### Management Reform

The Office of Management and Budget announced its intention to propose government-wide personnel and management reform this year. As part of this discussion, the Committee will continue to monitor and assess the implementation of the new human resources management systems at the Department of Defense and the Department of Homeland Security, as well as the various ongoing human resources demonstration projects. In addition, the Committee will oversee the use of management flexibilities provided last year as part of the Federal Workforce Flexibility Act of 2003.

### Diploma Mills

In 2003, the Department of Homeland Security launched an investigation into allegations that one of their senior official's had used a bogus degree from a diploma mill in connection with her federal employment. In response to this event, the Committee began an investigation into the use of diploma mills in the federal civil service. The Committee's goal was to help develop a coherent, government-wide policy that will enable federal employers to more easily identify and discourage the use of these degrees. The Committee's investigation has shown that this issue is not only a problem for federal employers but for the private economy as well. During the 109<sup>th</sup> Congress, the Committee will seek to publicize the new resources being developed to help government and private employers detect the use of diploma mills.

### Electronic Voting

In October 2002, Congress passed and the President signed into law the Help America Vote Act (HAVA). The goal of this legislation was to ensure that all Americans were able to accurately cast a vote for the candidate of their choice. In response to HAVA, many local governments are now purchasing new electronic voting machines.

While the existing data indicate that these machines can be more accurate than outdated punch card voting machines, experts are becoming increasingly concerned that their software has security gaps that could potentially allow unscrupulous individuals to alter the vote count, unlawfully affecting election results while leaving no paper trail or other auditable evidence. In addition, a number of incidents in recent Presidential primaries and local elections raised concerns about the performance of the machines, and the fact that their reliability could be impaired by implementation problems during elections. The Committee has initiated a GAO study to review the security and reliability of electronic voting systems and to identify best practices that can be implemented to improve the security and reliability of the electronic voting process.

### Regulatory Affairs

Limiting the intrusion of government reporting requirements into the daily activity of the business community is the primary way government can create a national environment that encourages growth and development. Government interfaces with business as a customer and as a regulator. As a regulator, government ensures that business is conducted honestly and safely, and it incentivizes certain behavior judged to be in the public good. These are laudable goals -- but they have a cost. With an eye towards understanding these costs and seeking to limit them as much as possible, the Committee intends to study the effectiveness of the Paperwork Reduction Act and plans to reauthorize the legislation during the 109<sup>th</sup> Congress.

### Bureau of Economic Analysis

The Committee oversees the activities of the Bureau of Economic Analysis (BEA). The BEA produces economic statistics that enable government and business decision-makers, researchers, and the American public to follow and understand the performance of the nation's economy. Most notably, the BEA produces the GDP and many of the Balance of Trade statistics. The Committee works with stakeholders and fights for adequate funding for this small, but critical, agency. The Committee also meets regularly with stakeholder groups, members of Congress, and state and local government groups to seek to understand concerns about BEA activities and resolve issues when possible.

### Unfunded Mandates Reform Act

The Committee is studying the impact of unfunded federal mandates. Also the Committee is examining the Unfunded Mandates Reform Act (UMRA) and seeking to identify possible areas of improvement in the Act. Beyond that the Committee is attempting to develop a more complete picture of the effect of unfunded mandates – those covered by UMRA as well as those not covered – on state and local governments.

### New Dietary Guidelines

On January 12, 2005, the Departments of Agriculture and Health and Human Services released the sixth edition of the *Dietary Guidelines for Americans*. The guidelines were released pursuant to federal law which requires a revision every five years. The Guidelines are important in shaping federal food programs and policies. The Committee will review these revisions to ensure the changes help to promote healthy living among all Americans.

### Thrift Savings Plan

The Thrift Savings Plan is a 401(k)-style retirement savings plan for federal government employees or members of the uniformed services. In 2005, the Federal Retirement Thrift Investment Board plans to introduce “Lifecycle funds,” which are combinations of the five existing TSP funds gradually adjusted by fund managers according to a participant’s target retirement. The Committee will examine the usefulness of these new funds and continue to monitor the Board’s participant services.

### Homeland Security

#### Continuity of Operations for the Federal Government (COOP)

The Committee will continue to oversee the federal government’s implementation of COOP. Last year the GAO concluded that most of the departments and agencies have not uniformly and systematically developed COOP plans and FEMA has not effectively administered its coordinating responsibility with the agencies. Because of the heightened threats of terrorism against federal government agencies, this issue will continue to be a priority of the Committee. By February 2005, the GAO is to complete a follow up study on the progress, if any, by government departments and agencies. The Committee may use this GAO report as a basis to hold another hearing on this subject.

#### SAFETY Act Implementation

The Homeland Security Act of 2002 included a provision, Support Antiterrorism by Fostering Effective Technologies Act (SAFETY Act), which provides incentives to private industry to deploy antiterrorism technologies by creating systems of risk management and litigation management. Timely implementation of this provision is crucial to the war on terrorism. The Committee will continue in its effort to make sure that the Department of Homeland Security works with stakeholders to manage the SAFETY Act in such a way that optimizes the legislation to the maximum extent practicable.

#### United States Visitor and Immigrant Status Indicator Technology (US-VISIT)

The federal government has initiated a program which will attempt to record and retain information on foreign visitors as they enter and exit our borders. This program, United States Visitor and Immigrant Status Indicator Technology (US-VISIT) was established in accordance with several Congressional mandates requiring that the

Department of Homeland Security (DHS) create an integrated, automated entry-exit system that: (1) records the arrival and departure of aliens; (2) deploys equipment at all ports of entry to allow for the verification of aliens' identities and the authentication of their travel documents through the comparison of biometric identifiers; and (3) utilizes an entry-exit system that records alien arrival and departure information from these biometrically authenticated documents. The US-VISIT program is an endeavor that will take years to mature, and DHS is using a phased approach in the implementation of the program. The Committee has worked closely with the stakeholder community to make sure this phased approach is workable for all involved. In this Congress, the Committee will attempt to oversee the land border application of US-VISIT and the exit system as it is applied to airports and seaports. The Committee intends to work with DHS and other stakeholders to make sure this carefully crafted program is implemented as quickly and efficiently as possible.

#### Transportation Security Administration

In the 108th Congress, the Committee conducted extensive oversight of the Transportation Security Administration (TSA). The Committee focused its oversight on airline passenger and baggage screeners, CAPPS II, and mass transit security. Chairman Davis was also the lead requester for a GAO report on air cargo security. This thorough oversight over TSA operations will continue into the 109th Congress. The Committee will also monitor TSA's new passenger pre-screening system for commercial aviation, known as Secure Flight. The Committee plans to assess whether the recommendations made by Congress, the Office of Inspector General, and GAO, to improve airline passenger and baggage screening, are properly implemented and effective.

#### Homeland Security Coordination

The Committee will continue to inspect and assess the coordination between the various federal, state, and local entities charged with protecting our homeland. Coordination among these groups is necessary to ensure adequate planning, information sharing, training, and execution of domestic preparedness activities. During the 108th Congress, the Committee held three hearings examining the state of emergency preparedness and coordination, specifically in the National Capital Region (NCR). The Committee will continue this work to assess what progress has been made and what additional steps need to be taken to better position the region to address potential threats.

#### Legal Immigration Management Reform

The Homeland Security Act of 2002 divided the responsibilities formerly held by the old Immigration and Naturalization Service's functions of immigration enforcement and legal immigration benefits into two agencies. The U.S. Citizenship and Immigration Services (USCIS) became responsible for the legal immigration benefits side of the equation in March of 2003. Since then, numerous issues and concerns have come to the Committee's attention regarding this agency. Of particular interest, USCIS faces a significant backlog of pending cases that has a profound effect both on the immigrant

community and on the U.S. economy. USCIS has developed a Backlog Elimination Plan that calls for the elimination of all backlog by 2006. However, there are serious questions as to whether this is an attainable goal and whether the agency can keep the backlog down permanently once the initial goal is reached. The USCIS Ombudsman has made some intriguing recommendations for reform of broken processes at the agency that may help resolve the underlying issues causing inefficiency. However, there is some question as to whether these recommendations are being effectively tested and implemented agency-wide, and the Committee is interested in this as well as the merits of the recommendations themselves.

### Security Clearance Reform

The Committee-authored Title III of the Intelligence Reform and Terrorism Prevention Act of 2004 seeks to address the decades-old problems that afflict the security clearance regime of the United States. These problems include a considerable backlog of investigations, creating a shortage of cleared personnel available to government and industry, and a lack of reciprocal recognition of clearances by different government agencies. This language places certain responsibilities and goals on the Executive Branch, including naming an entity to serve as overseer of all clearance policy and implementing new standards and technology to ensure a secure and efficient investigative and adjudicative process. As the Executive Branch moves forward in implementing the requirements of the legislation, the Committee will work closely with the parties involved, in particular the new coordinator of clearance policy, to ensure that the spirit of the legislation is honored and that any problems with it are fixed.

### Oversight of Federal Agency Contracting

#### Contracting Issues Associated With U.S. Global Military Commitments

The Committee will continue to oversee the contracting issues associated with our U.S. military as it pertains to their global missions in areas such as Bosnia, Iraq, Afghanistan, and other parts of the world. In 2003 and 2004, our military found itself deployed throughout the world in support of various geopolitical objectives. These deployments required the U.S. Government to quickly set up contingency operations for the basic living conditions of both military and civilians working in the theater of operations. These forces were faced with difficult living conditions because of their remote locations and the threat of armed military actions. Contracting for goods and services to support these needs was and continues to be a difficult undertaking. The Committee held a series of hearings related to issues concerning these difficulties and will continue to oversee the process, as the U.S. stays committed to the various mission areas throughout the world.

#### Networx

The Committee has held two oversight hearings in the past year on the General Services Administration's (GSA) government-wide voice and data telecommunications

program, Networx. The focus of these hearings has been to determine whether GSA's acquisition strategy will be effective in today's telecommunications environment. The Committee intends to continue its oversight of the \$20 billion Networx program through hearings in the next Congress. The Committee will keep a close eye on this program as it moves closer to the award phase.

### General Services Administration Structure

The Committee will continue its oversight of the General Services Administration (GSA) and explore whether legislation is needed to restructure the agency. The Committee has held hearings on the overlapping and redundant nature of GSA's current structure for its Federal Supply Service (FSS) and Federal Technology Service (FTS). The Committee intends to hold additional hearings on GSA structural issues as they relate to the instances of contract mismanagement in FTS as revealed by the recent GSA IG reports. The Committee will consider whether legislation is a viable remedy to these and other management problems within the agency.

### Oversight of Information Technology and Information Policy

#### Information Security

The Federal Information Security Management Act of 2002 (FISMA) provides an important comprehensive information security framework for federal agencies. The Committee will continue its aggressive oversight of FISMA implementation. Specifically, the Committee will be releasing the federal agency FISMA compliance scorecards and review FISMA implementation to determine whether there is a need to amend or clarify provisions.

#### E-Government

The Committee will continue oversight of the Electronic Government Act of 2002 initiatives to further the federal government's use of information technology to improve government services and operations. In particular, the Committee will review the consistent under-funding of the electronic government fund.

#### Information Sharing

The Intelligence Reform and Terrorism Prevention Act of 2004 enacted the most dramatic reform of our nation's intelligence capabilities in almost 50 years. The Intelligence Reform and Terrorism Prevention Act of 2004 requires the President to establish a trusted and secure information sharing environment to promote the sharing of intelligence and homeland security information in a manner consistent with national security and the protection of privacy and civil liberties. The Committee will oversee the implementation of this government-wide information-sharing environment.

### Information Classification

Recent years have seen the multiplication of policies and regulations governing so-called “sensitive but unclassified” information. While there is certain information that ought to be protected but cannot be classified (such as Protected Critical Infrastructure Information, which the government does not own and may not therefore classify) the Committee is concerned that federal agencies have started relying too heavily on such categorization as a way to bypass the traditional classification and clearance structure. The Committee believes in maintaining, to the greatest extent practicable, consistent and uniform policies governing the control of government-owned, sensitive information. An overlapping or stove piped policy will only create confusion and inefficiency.

### IPv6

The Committee will oversee the federal government's migration to Internet Protocol version 6 (IPv6). The current generation of IP, version 4 (IPv4), has been in use for more than 20 years and has supported the internet's growth over the last decade. There are, however, concerns about the ability of IPv4 to accommodate emerging demand, especially the anticipated demand for unique internet addresses. IPv6 has been developed to accommodate whatever level of demand emerges as well as provide other features and capabilities not available through IPv4. As a major purchaser of IPv6 products and services, federal agencies could play a significant role as early adapters of IPv6. The Committee will oversee the federal government's migration to IPv6 in order to ensure that it is done efficiently.

### Agency Use of Emerging Technologies and Standards

The Committee will oversee federal government use of emerging technologies such as Radio Frequency Identification (RFID) and Nanotechnology. In addition, the Committee will oversee federal government involvement in various standards setting organizations as well as federal government implementation of approved standards for various emerging technologies and processes.

### Intellectual Property Piracy

The Committee held a hearing on intellectual property piracy that focused on U.S. efforts to enforce domestic laws and encourage foreign countries to adopt and enforce regulations to protect intellectual property rights, as well as international efforts to protect U.S. intellectual property rights abroad. Since that hearing, the Administration announced the Strategy Targeting Organized Piracy (STOP) Initiative, which involves coordinated efforts by the Departments of State, Commerce, Justice, and USTR. The Committee will continue to monitor intellectual property piracy problems, both domestic and international, and examine the effectiveness of U.S. policies to combat those problems.



## Department of the Interior's Tribal Recognition Process

The Bureau of Indian Affairs' process for recognizing Indian tribes has received scrutiny from the Committee. The recognition process affects the public in many ways, including tribal acquisition of land and casino expansion. The Committee will continue to evaluate the Bureau of Indian Affairs exercise of its authority to recognize tribes and the effect of those decisions on localities throughout the country. The Committee will also consider whether additional specificity in recognition criteria is warranted.

## Oversight of the District of Columbia

The Committee will continue its active oversight of initiatives important to the District of Columbia (District or D.C.) and the Congress by focusing on the continued financial management and economic policies of the District government, improvement of programs funded by the federal government, and regional emergency preparedness and response activities. During the 109<sup>th</sup> Congress, the focus of the work of the Committee will be aimed at protecting the federal interest by ensuring that the District government continues to be financially healthy and to provide quality service to visitors, residents, and federal users of the District services.

### Education Reform

Over the past decade, Congress has spent considerable time and resources working with the District to reform its education system. Congress has supported school choice in the District of Columbia by passing legislation creating charter schools and the D.C. Opportunity Scholarship Program and reauthorizing the D.C. College Access Act. The Committee will continue to examine current efforts to improve academic performance and promote an atmosphere for positive change and reform within the District's school system.

### Emergency Preparedness

The tragic events of September 11, 2001, unfortunately confirmed the recognition of the National Capital Region as a terrorist target. As a result, the federal government and local Washington area jurisdictions have taken a number of actions to improve coordination of emergency preparedness efforts. It's a delicate balance to respond to emergencies adequately and safely and to make sure residents, businesses, and governments in the region can carry on with their normal activities. The Committee hopes to assess the progress that has been made in better positioning the region to address potential threats.

### WMATA

The Washington Metropolitan Area Transit Authority (WMATA) was created in 1967 by an interstate compact that resulted from the enactment of identical legislation by Virginia, Maryland, and the District of Columbia, with the concurrence of Congress.

WMATA was established to “plan, finance, construct, and operate a comprehensive mass transportation system in the National Capital Region.” WMATA faces challenges caused by an aging infrastructure and growing ridership. The Committee will continue to conduct oversight over WMATA affairs.

#### D.C. Courts/Family Courts

Last year, the Committee held a hearing on the management and operations of the D.C. Courts. We examined specific concerns in the Family Court and the Probate Division. The Committee will follow up with a series of hearings addressing various aspects of court management and operations, including reforms in the administration of the register of Wills office, timeliness of hearing transcripts, and transparency of court information. The Committee will also continue its oversight of the management and operations of the D.C. Family Court and ensure that it is meeting the requirements set in the D.C. Family Court Act.

#### Child Family Services Agency/Youth Services Administration

The Committee will continue to monitor critical issues involving the Child and Family Services Agency, including the management of the agency, timely placement of children in foster homes, the recruitment and retention of foster families in D.C., social worker caseloads, and the recruitment and retention of social workers.

The D.C. juvenile justice agency was formerly known as the Youth Services Administration and has been the defendant in a class-action lawsuit that has lasted for many years. The agency organization was bifurcated in a way reminiscent of the Child and Family Services Agency (CFSA). The city has been quick to identify the necessary corrective action because of both the requirements in the court orders and its experience with the CFSA receivership. The Department of Youth Rehabilitation Services was established as a cabinet-level agency and the Mayor has recently appointed Vincent Schiraldi to lead it. The Committee will continue its oversight of the Department’s reorganization and its efforts to meet the criteria established in the court orders.

#### Grant Administration

Department of Health’s administration of Center for Disease Control and Prevention grants has resulted in suspension of cancer screening funds for Project WISH. Other programs are also in jeopardy. Mismanagement in other departments has been reported, including the Department of Human Services’ oversight of Community Services Block grants, with problems at the United Planning Organization. The Committee will continue to evaluate the District of Columbia government’s efforts to comply with federal grant requirements, focusing initially on health-related programs, and other welfare programs.

#### Lead in the Water/Water and Sewer Authority

Since January 2004, the District of Columbia has been subjected to a barrage of reports that its drinking water supply contains excessive amounts of lead, well in excess of the Environmental Protection Agency (EPA) prescribed action level. The responses to those tests by both EPA and the Washington Water and Sewer Authority have been investigated by the Committee and analyzed to determine compliance with the Safe Drinking Water Act. The Committee will continue to monitor developments as a result of the lead in the water problem.

#### D.C. Voting Rights

During the 108<sup>th</sup> Congress, the Committee held a hearing on voting representation in the District. The Committee will continue to study and lead the dialogue on granting voting rights to District residents.

#### Flu Vaccine Supply and State and Local Health Preparedness

The Committee's investigation into the issues surrounding the influenza vaccine supply began early in the second session of the 108<sup>th</sup> Congress. The Committee held a flu pandemic hearing in February 2004 and an emergency hearing in October 2004 regarding Chiron's license suspension and the resulting flu vaccine shortage. A third hearing was held in November, following several meetings with Chiron, and U.S. and British health authorities. The Committee will continue to examine the actions taken by the Department of Health and Human Services, the Centers for Disease Control and Prevention, and the Food and Drug Administration to fully prepare for an unpredictable 2005-2006 flu season and how these federal agencies are providing guidance and coordinating with state and local health officials. The Committee will also review the need for legislation and discuss specific solutions to ensure a stable annual flu vaccine supply.

#### Review of FDA Post-Marketing Surveillance

The Committee will continue to investigate the Food and Drug Administration's (FDA) post-marketing surveillance of drugs, and whether FDA has the appropriate authority and resources to adequately monitor the safety of drugs. The Committee intends to consider the adequacy of FDA's guidance documents regarding risk management after approval of a drug by exploring what types of post-marketing commitments FDA requests of drug sponsors and what formal procedures FDA has in place for monitoring or establishing whether a post-marketing commitment is met.

#### Review of USDA's Expanded BSE Cattle Surveillance Program

Over a year has passed since the first case of Bovine Spongiform Encephalopathy (BSE, or commonly known as "mad cow disease") was discovered in the U.S. In that time, the U.S. Department of Agriculture (USDA) implemented an expanded surveillance program to detect the presence of BSE in the U.S. cattle population. The Committee held

a hearing in July 2004 to examine USDA's expanded BSE surveillance program and voiced concerns regarding the written protocols of the plan and the management of its implementation. This hearing was the culmination of the Committee's seven-month investigation into USDA's response to the BSE-infected cow in Washington State and the subsequent changes made to USDA's surveillance program. The Committee will continue to evaluate how the program has been implemented and its effectiveness. With the latest discovery of BSE infected cattle in Canada, the Committee will look into recent decisions by the Department regarding specific written protocols and the importation of beef products from Canada and other countries.

### 21<sup>st</sup> Century Healthcare

The Committee will continue to monitor the development and implementation of an efficient, secure, and reliable health information-sharing network. The emerging public health threats of the 21<sup>st</sup> Century require the seamless flow of information at all levels of government. Our country's experiences with SARS, the flu vaccine shortage, and bioterrorism preparedness have provided opportunities to examine the efforts currently underway in the advancement of information technology in the healthcare industry. Improved information sharing will provide the tools necessary to effectively respond to a bio-emergency event – whether terrorist-related or naturally occurring. The Committee plans to examine the progress and impediments to the development and implementation of an efficient, secure, and reliable health information sharing network related to public health issues and emergency response – at the clinical care delivery, public health, and consumer health levels, as well as among governmental entities at the federal, state, and local levels. While conducting oversight, the Committee will also explore the role and status of technology in contributing to the success of these efforts.

## Activities for the 109<sup>th</sup> Congress Subcommittees

### *Subcommittee on National Security, Emerging Threats and International Relations*

In the 109<sup>th</sup> Congress, the Subcommittee will undertake oversight inquiries, reviews, General Accounting Office audits, and/or hearings in the following issue areas:

#### **1. National and Homeland Security**

- A.** Security procedures at civilian and military nuclear facilities, including National Nuclear Security Administration (NNSA) and Nuclear Regulatory Commission policies and procedures on the use of private security contractors.
- B.** Port security improvements and coordination between federal, state, county, local and private authorities in securing shipping.

- C. Implementation of homeland security strategies and implementation of the Homeland Security Act of 2002.
- D. Doctrine and role of NORTHCOM and DOD in homeland security.
- E. Implementation of 9/11 Commission recommendations on matters within the Subcommittee's jurisdiction.
- F. Use of funds appropriated for medical screening, testing and treatment of first responders and others who responded to the terrorist attack on New York on September 11, 2001.
- G. Management of pharmaceutical stockpile programs.
- H. Status of effort to enhance air cargo security.
- I. Research coordination and funding priorities for chemical and biological countermeasures (i.e. vaccines, post-exposure therapeutics), particularly the DOD Joint Vaccine Acquisition Program.
- J. Project BioShield implementation, particularly with regard to safeguards against mandatory use of experimental products by military personnel.

## **2. Emerging Threats**

- A. Status of U.S. compliance with requirements of the Biological and Toxic Weapons Convention and efforts to strengthen enforcement and other biological weapons counter proliferation strategies.
- B. Critical infrastructure (i.e. chemical facilities, electrical plants) threat assessment and security strategies.
- C. Assessment of tools, methods and protocols to detect and determine the extent of anthrax contamination.

## **3. International Terrorism**

- A. U.S. support for the World Health Organization and other international disease surveillance programs as counterterrorism sentinels.
- B. Implementation of bilateral cooperative agreements with the UK and Israel on development of counterterrorism technologies.

## **4. Department of Defense (DOD) Programs and Spending**

- A. Coordination and priority setting for research, development and acquisition activities for chemical and biological defense equipment: masks, suits, detectors, decontamination equipment.
- B. Extent and consistency of CBRN training.
- C. Adherence to technology maturation analyses being used to develop the Joint Strike Fighter (JSF) aircraft.
- D. Effectiveness of F-22 Raptor program cost containment strategies.
- E. Management and effectiveness of certain DOD threat reduction programs, particularly regarding chemical and nuclear weapons in the former Soviet Union.
- F. Systemic waste, abuse and control weaknesses in the Defense Reutilization Marketing Service.
- G. Extent of use, standards for, and management of armed contractors by DOD and other federal agencies.
- H. Efficiency and effectiveness of DOD communication satellite contracting practices.
- I. Compliance with DOD security regulations for presidential support activities (PSAs).
- J. Implementation and effectiveness of DOD monitoring program for occupational and environmental health hazards for troops deployed in Operation Iraqi Freedom.
- K. Review of host nation security support for U.S. military installations.
- L. Implications of U.S. Army transformation plans for forces required in post-conflict situations, including efforts to properly train and equip U.S. military forces.

## **5. Department of Veterans Affairs (VA) and Spending**

- A. Implementation of the Gulf War Veterans' Health Act, particularly VA exposure risk determinations, Gulf War veterans' service-connection determinations and research coordination.
- B. VA initiative to test and treat veterans at risk for Hepatitis C infection.

- C. Delays and inconsistencies in VA Benefits Administration reports on Gulf War veterans.
- D. Scope and effectiveness of DOD and VA surveillance and monitoring of long-term cancer rates associated with Gulf War (Desert Shield/Storm) deployment.

## **6. Department of State and USAID Programs and Spending**

- A. Status of federal efforts to enhance security training and awareness of Americans abroad.
- B. Implementation of State Department rightsizing initiatives.
- C. Scope and effectiveness of humanitarian assistance and reconstruction efforts in post-war Iraq.
- D. Scope and implications of the United Nations Oil for Food Program scandal.
- E. Management of, and accountability for, funds entrusted to the Development Fund for Iraq (DFI).
- F. Status of efforts to strengthen the visa revocation process.
- G. Effectiveness of management systems and initial results of the Millennium Challenge Corporation (MCC).
- H. Status of efforts to improve U.S. public diplomacy efforts, particularly in the Arab and Muslim world.
- I. Review the effectiveness of State Department, U.S. Agency for International Development (USAID), and other U.S. government agency assistance to the Arab and Muslim world, including the Middle East Peace Initiative (MEPI).

## **7. Post-Conflict Iraq**

- A. Status and pace of multilateral, federal and private reconstruction efforts.
- B. Scope and reach of democracy-building efforts in Iraq, particularly those activities undertaken by NDI funded entities and other NGOs.
- C. Progress and challenges in training and equipping Iraqi forces.

*Subcommittee on Criminal Justice, Drug Policy and Human Resources*

This memo provides the Oversight Plan for the Subcommittee on Criminal Justice, Drug Policy, and Human Resources for the 109<sup>th</sup> Congress, pursuant to House Rule X. The Subcommittee expects to conduct authorization and oversight activity on the following matters during this Congress:

**Drug Policy**

- **ONDCP Reauthorization**: The Subcommittee will be required to develop legislation to reauthorize the Office of National Drug Control Policy (ONDCP) and its programs during the 109<sup>th</sup> Congress. The last authorization of the office (\$523 million in FY '03) expired in September 2003. In addition to the office itself, many of its subsidiary programs will require authorization, most notably the High Intensity Drug Trafficking Areas (HIDTA) program and the National Youth Anti-Drug Media Campaign. The Subcommittee also intends to examine the process by which ONDCP prepares and certifies the federal government's drug control budget.
- **Methamphetamine Abuse Prevention**: The problem of methamphetamine trafficking and abuse is a growing issue that will have to be addressed by the 109<sup>th</sup> Congress. The Subcommittee intends to continue its study of the problem and to explore new legislative solutions, including controlling access to precursor chemicals and increasing penalties for trafficking.
- **National Drug Control Budgets for 2006**: The Subcommittee has conducted a consistent program of oversight to examine the adequacy of budget proposals for key federal organizations with drug enforcement, education, and treatment programs, including Coast Guard, CBP border inspections, Border Patrol, AMO, and ICE investigations, DEA, OCDETF, and the Criminal Division at DOJ, and the Departments of Education, Health and Human Services and Veterans Affairs. Key questions include how the Administration plans to handle all of the law enforcement and security responsibilities assigned to its entities, and how Congress and the Administration will allocate responsibilities within DHS.
- **State Drug Legalization Initiatives**: The Subcommittee will examine the best and most appropriate approach to continue strong opposition at the federal level to drug legalization and decriminalization, and the so-called "harm reduction" movement.
- **International and Interdiction Issues**
  - **Counterdrug Information and Intelligence Sharing**: The shortfalls in intelligence and key information sharing described in the 9/11 Commission Report are not confined to the FBI and CIA. Information sharing failures extend to the agencies entrusted with protecting our



borders and interdicting illegal drugs – several of which are now combined in the Department of Homeland Security. In fact, the 9/11 terrorists each had to clear federal customs and immigration authorities, and had brushes with local law enforcement. If everyone had all the information on these killers, they might not have been able to carry out their planned attacks. These problems can also undermine our efforts to identify and stop drug traffickers. The Subcommittee will examine what actions can be taken to prevent the “stovepiping” of drug interdiction intelligence, and to promote information sharing across the federal government.

- Afghanistan’s Opium Epidemic: The United Nations Office on Drugs and Crime (UNODC) has conducted annual opium poppy surveys in Afghanistan since 1994. The 2003 Survey shows that in 2003, Afghanistan again produced three-quarters of the world’s illicit opium, resulting in income to Afghan opium farmers and traffickers on the order of \$2.3 billion, a sum equivalent to half the legitimate GDP of the country. The 2004 annual U.S. Government estimate for opium poppy cultivation in Afghanistan is complete and shows that approximately 206,700 hectares of poppy were cultivated during the most recent crop season. Current cultivation levels equate to a potential production of 4,950 metric tons of opium. This represents a 239 percent increase in the poppy crop and a 73 percent increase in potential opium production over 2003 estimates. UNODC concluded that “out of this drug chest, some provincial administrators and military commanders take a considerable share... Terrorists take a cut as well... the longer this happens, the greater the threat to security within the country and on its borders. There is a palpable risk that Afghanistan will again turn into a failed state, this time in the hands of drug cartels and narco-terrorists...” The Subcommittee will review what actions can be taken to address U.S. and coalition efforts to stop heroin cultivation. The Subcommittee will continue to investigate the continuing connection between heroin and terrorist/insurgent financing.
- Mexico and the Southwest Border: During the last Congress, the Subcommittee continued to focus on the multitude of diverse issues that affect the rampant drug smuggling activities through the Southwest Border region. According to the 2005 Joint Interagency Task Force South estimate, 86% (about 344 metric tons) of the cocaine smuggled in to the U.S. will come through the Southwest Border region. The Subcommittee will examine how we can better coordinate with Mexico, and how we can make the federal, state and local agencies more effective?
- Operation Panama Express: The 2004 National Drug Control Strategy made note of the tremendous successes of Operation Panama Express, an intelligence-driven program managed by the Departments of Justice and

Homeland Security. Members of the “Operation Panama Express” team include the U.S. Attorney for the Middle District of Florida, the U.S. Coast Guard, U.S. Immigration and Customs Enforcement (ICE), Drug Enforcement Administration (DEA), the Federal Bureau of Investigation (FBI), the Joint Interagency Task Force-South (JIATF-South), the Internal Revenue Service - Criminal Investigative Division, the Florida Department of Law Enforcement, and the Sheriff’s Offices from Pinellas and Sarasota Counties. As a direct result of the success of this operation, the Coast Guard seized a record 240,518 pounds of cocaine, worth approximately \$7.7 billion during fiscal year 2004. The previous annual record of 138,393 pounds was set back in 2001. The Subcommittee will examine what is the best and most appropriate approach to fully support Operation Panama Express, and how can it be used as a model for other areas of drug interdiction.

- Enhanced Focus on Drugs/Terrorism – The Subcommittee’s previous oversight activities have made us aware of numerous pending drug cases with significant and very specific links to international terrorism. The Subcommittee will review how we can best heighten public awareness of these cases and the demonstrable links between the drug trade and terrorism.
- Department of Homeland Security and Counternarcotics Enforcement – In December, Congress passed and President Bush signed into law Chairman Souder’s proposal to upgrade the original position of DHS Counternarcotics Officer to an Office of Counternarcotics Enforcement, with a dedicated staff and a Senate-confirmed Director of Counternarcotics Enforcement. The Subcommittee intends to closely monitor the activities of the new Office, and the level of resources and support provided to it by the Department.
- Status of Colombia Programs and the Andean Counterdrug Initiative – President Uribe has significantly increased his support for drug eradication programs in Colombia, which has led to a fairly significant increase in activity and effectiveness. More and more members of Colombian foreign terrorist organizations, most of whom were involved in drug trafficking, are laying down their arms and surrendering to the Colombian government. The Subcommittee will consider what the U.S. role should be in assisting the effort by the Colombian government to demobilize these former members and reintegrate them into law-abiding society.

- **Drug Prevention and Treatment**

- Treatment Initiatives – The President’s “Access to Recovery” initiative to increase the availability and effectiveness of drug treatment is completing its first year in existence. The Subcommittee will oversee how the

program has been implemented and what is likely to be the immediate impact for Americans seeking treatment. The Subcommittee will also consider whether funding for the program be increased, and should it be a model for other federal treatment and social services programs.

- Status of Federal Prevention Programs – The federal government continues to have a largely uncoordinated and frequently unfocused group of drug prevention programs. The Subcommittee will consider how we can better coordinate them and make them more effective.
- Drug Testing: A recent Oregon study found that students who were regularly drug tested in schools are much less likely to use illegal narcotics, and enhanced awareness of testing has been a significant initiative of ONDCP. The Subcommittee will examine how we can work to make the public aware of the importance of testing and what federal programs can be supported to facilitate testing and accountability among youth.
- **Law Enforcement**
  - Needle Exchange Enforcement: Federal and state court opinions issued in New York City and Massachusetts essentially held that participants in needle exchange programs could not be arrested for drug use. The Justice Department has not determined whether it will be aggressively appealing the federal decision. The Subcommittee will consider how can we work to continue effective law enforcement in these areas.

## **Justice**

- **Effect of Homeland Security on Federal Law Enforcement**: Since Congressman Souder became chairman in 2001, the Subcommittee has conducted a number of hearings on the impact that the creation and reorganization of the Department of Homeland Security is having on other federal law enforcement agencies – primarily examining whether the intense focus on preventing and responding to terrorist strikes would adversely affect the resources, focus, or personnel available to more traditional law enforcement missions which did not disappear after 9/11. These issues will require ongoing attention to ensure the continued effectiveness of the overall system.
- **Border**: The Subcommittee has also carried out an exhaustive review of U.S. border agencies and policies since 2001. The Subcommittee expects to continue careful oversight of border security and law enforcement issues, particularly on the Southwest border.
- **Law Enforcement and Telecommunications**: Federal law enforcement agencies have raised concerns that many providers of new Internet-based

communications technologies are operating as if the provisions of CALEA do not apply to them – in particular, the requirement that telecom companies provide quick access to law enforcement agencies that have valid, legal wiretap orders. The Subcommittee intends to monitor this situation closely and propose legislative changes if necessary to ensure our law enforcement officers can continue to investigate criminal organizations and protect the public safety.

### **Human Resources/Social Policy**

- **Health and Social Policy Oversight:** The Subcommittee has conducted an aggressive program of oversight of the Department of Health and Human Services as it affects health and social policy, focused most prominently on bioethics (including human cloning and stem cell research), human life issues, racial health disparities, reproductive health, HIV policy, and health issues impacting illegal drug policy. These oversight activities are expected to continue at the same intensity in the 109<sup>th</sup> Congress.

**Faith-Based Initiatives:** The Subcommittee has oversight jurisdiction for the White House Office of Faith and Community Based Initiatives, and has worked regularly with Administration officials on development of executive branch policies to promote faith-based charities, on the status of pilot programs, and on pending legislative proposals on the issue and outreach to the faith-based social provider community. These activities are expected to intensify in the 109<sup>th</sup> Congress.

### *Subcommittee on Government Management, Finance, and Accountability*

A major part of the Subcommittee on Government Management, Finance, and Accountability's oversight responsibility involves the performance and accountability measures of the President's Management Agenda. To meet this responsibility, the Subcommittee expects to focus on issues related to governing with accountability, a significant part of the President's Management Agenda. This is likely to include an overview of management initiatives included in the President's budget for fiscal years 2006 -2007, a substantive review of the effectiveness of the Government Performance and Results Act (GPRA), and an examination of GPRA's relationship to the Office of Management and Budget's initiative known as the Program Assessment Rating Tool (PART), as well as reviewing H.R. 185, which would establish a statutory requirement for program assessments.

One of the most important aspects of governing with accountability is the generation of timely, accurate, and useful financial information. Without this information, it becomes impossible to complete cost/benefit analyses or to assess the financial impact of programs relative to their budgetary outlays. In this light, financial management must be a high priority for agency management. The Subcommittee will continue to look at the changing dynamics of federal management.

The Subcommittee plans to review the multitude of financial management laws and regulations with which agencies are expected to comply. It is the Subcommittee's belief that accountability can be greatly enhanced if these laws were streamlined and consolidated into a uniform statute. The Subcommittee will examine these ideas in significant detail as part of its oversight throughout the 109<sup>th</sup> Congress.

The Subcommittee will also examine financial and performance management practices at departments and agencies within the executive branch of the federal government. This oversight will include a review of the Consolidated Financial Statements of the federal government, reviews of individual agency accounting practices, and examining agency compliance with existing federal financial laws. The Subcommittee plans to review financial management at the Departments of Defense and Homeland Security, as well as others. In addition, the Subcommittee will focus on agencies' efforts to eliminate waste, fraud and mismanagement in taxpayer-funded federal programs.

The Subcommittee plans a renewed focus on the Federal Managers Financial Integrity Act of 1982 (FMFIA), which establishes internal control requirements for federal agencies. FMFIA, combined with the recently revised OMB Circular A-123, establishes minimum control requirements to ensure accountability.

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

The Subcommittee intends to work with the Administration on the implementation of Public Law 107-300, the "Improper Payments Reduction Act of 2002." The law requires the 24 CFO Act agencies to conduct a risk analysis of their financial practices to determine whether they administer any programs that are unduly susceptible to waste, fraud or mismanagement. When programs are determined to be susceptible, the law requires the agency to submit an estimate of the extent of the improper payment. GAO estimated improper payments reported by federal agencies to be approximately \$35 billion in FY2004, but the actual amount is likely billions of dollars higher. This legislation will give the public a much better sense of the extent of funds that are being improperly administered by federal agencies.

The Subcommittee will oversee the government's implementation of the Chief Financial Officers Act; the Debt Collection Improvement Act; the Government

Performance and Results Act; the Inspector General Act; and other significant legislative initiatives that fall within the Subcommittee's jurisdiction.

### *Subcommittee on Regulatory Affairs*

In the recent years it has become increasingly obvious that the commercial community is increasingly sensitive to the effects of excessive regulation. The United States has learned that to be competitive in the global marketplace it must consider the cost of any new rule or reporting requirement. The cost of such excessiveness is now measured in American jobs. It is the goal of this Subcommittee to use every tool available to protect and increase American competitiveness.

The Subcommittee on Regulatory Affairs plans to use its oversight efforts to identify areas where the U.S. Government places an unduly heavy regulatory and reporting burden on the American citizen and business. Where possible, the Subcommittee will advocate for a reasonable burden and reduction of the reporting burden where feasible. To do this, the Subcommittee will highlight the efforts currently underway in the Administration.

The Subcommittee will also reach out to the American public at large and seek to demonstrate the human cost of runaway regulations and reporting requirements. The Subcommittee will also perform close oversight over the development of major rules to insure that they comply with Congressional and Presidential mandates to use sound, peer-reviewed science. The Subcommittee will also work to ensure that agencies use the most recent and trustworthy data in enforcing their regulations.

As outlined in 2004 in the Oversight Plan for the Subcommittee on Government Reform, the Subcommittee will continue its oversight role of the Office of Management and Budget's Office of Information and Regulatory Affairs (OIRA) by ensuring agency compliance with the Paperwork Reduction Act. The Internal Revenue Service (IRS) accounts for over 80 percent of the government-wide paperwork burden, and the Subcommittee will continue to work with relevant Committees to encourage OIRA to work to reduce IRS paperwork.

The Subcommittee will continue to examine OIRA's record in evaluating and reporting on the costs and benefits of federal regulatory programs. Since the regulatory accounting law required OMB to include aggregate estimates by agency and by agency program, the Subcommittee will further its efforts for OIRA to systematically seek agency input.

Finally, the Subcommittee will work closely with the full Committee to explore any need for changes in the PRA and will develop recommendations on those changes in preparation for reauthorizing the Act.

### *Subcommittee on Federalism and the Census*

This is the oversight plan of the Subcommittee on Federalism and the Census. It includes the areas in which the Subcommittee expects to conduct oversight during the 109<sup>th</sup> Congress, but does not preclude oversight or investigation of additional matters as the need arises.

#### Census Bureau

The Subcommittee oversees the activities of the Census Bureau. This includes ordering and reviewing GAO reports, working with stakeholders, and fighting for adequate funding. The Subcommittee also meets regularly with stakeholder groups, members of Congress, and state and local government groups to seek to understand concerns about Census activities and resolve issues when possible.

In the 109<sup>th</sup> Congress, the Subcommittee will focus on ensuring the future success of the American Community Survey (ACS). The Subcommittee will also publicize the need for increased cooperation between state and local governments and the Census Bureau to complete an updated Master Address File. The Subcommittee will look at the 2004 Census test results, in particular, the potential for using electronic devices to replace paper in 2010. The Subcommittee is also interested in making sure the ACS is leveraged to its maximum impact by assessing whether it has the capacity to replace other surveys. The Census Bureau launched the Quarterly Services Survey (QSS), which measures the services sector of the U.S. economy. The Subcommittee intends to examine the process of creating this new economic indicator and ask whether other new indicators are needed.

#### Federal Grants Management

The U.S. Government supports various state and local projects through a myriad of federal grant programs. The Subcommittee will look into how the federal government administers these programs and how state and local governments use the funds. The Subcommittee will explore how these federal grants can be optimized so that the needs of these state and local governments are better met. We will look into identifying program inefficiencies and redundancies and then make recommendations on how we revamp these programs.

### *Subcommittee on Energy and Resources*

During the 109th Congress, the Subcommittee plans a robust schedule of hearings on the two principal areas within its jurisdiction: energy and resources. With energy a primary driver of our economy, the Subcommittee intends to closely examine national energy policy. In light of the increased cost of energy resources, including gas, oil, coal, minerals, electricity, and the ever increasing demand by other nations competing for those energy resources, the Subcommittee will look at the effects on the U.S. and world economy including the U.S. balance of trade and the stability of the dollar. The

Subcommittee will examine U.S. policies relating to the development, exploration, conservation, production, and consumption of electricity, oil and natural gas, hydroelectric power, nuclear power, and all aspects of renewable energy.

The Subcommittee also intends to critically examine projections of future crude oil supplies and how significant changes in world consumption requirements, such as increasing Chinese consumption requirements, will affect different regions around the country, including California, and the national economy. As a part of this oversight, the Subcommittee will monitor the impact of potential supply interruptions from OPEC and other international suppliers on the U.S. and international economy. A thorough review of our domestic fuel policies, refinery capacity and the proliferation of boutique fuels will be included in the Subcommittee's work.

The Subcommittee will exercise its oversight responsibilities pertaining to the activities of the Federal Energy Regulatory Commission (FERC). The electric industry and market has undergone dramatic changes over the last decade. With states and regions restructuring the electric industry and the increased development of regional transmission organizations around the country, the Subcommittee will focus its efforts on reviewing the development and expansion of efficient markets. The generation, distribution and transmission of electricity are important components to an efficient market and will be included in the Subcommittee's work. In the aftermath of the 2000-2001 energy crisis in the West, the electricity markets in California and the West continue to impact energy policy. Thus, the Subcommittee will continue to focus on these issues. The Subcommittee will review the overall development of renewable and alternative energy technologies and assess policy implications which could accelerate the development of these technologies and accelerate their entry into the market place for the consumer, thereby reducing the U.S. dependence on foreign sources of energy.

The Subcommittee will exercise its oversight responsibilities pertaining to the Department of Interior, the Department of Agriculture and the Environmental Protection Agency (EPA). The Subcommittee will initiate oversight on natural resource issues, including but not limited to, water and air quality, access to public lands, federal lands issues including land management and multiple uses, and how they affect Indian tribal nation matters. As part of its oversight responsibility on natural resources and environmental issues, the Subcommittee intends to review EPA's actions affecting environmental and natural resource issues, including but not limited to wetlands, and EPA actions and policies affecting energy development and production, including its oxygenate mandate, hydrogen power, and alternative energy supplies generally.

#### *Subcommittee on the Federal Workforce and Agency Organization*

This is the oversight plan of the Subcommittee on the Federal Workforce and Agency Organization. It includes the areas in which the Subcommittee expects to conduct oversight during the 109<sup>th</sup> Congress, but does not preclude oversight or investigation of additional matters as the need arises.



## FEDERAL LAW ENFORCEMENT PAY AND BENEFITS REFORM

Several pieces of legislation were introduced in the 108<sup>th</sup> Congress to address compensation and benefits for federal law enforcement officers – an area that most agree is in serious need of reform. Realizing the complex nature and import of these issues, former-Chairwoman Jo Ann Davis and Senator George Voinovich introduced companion pieces of legislation requiring the Office of Personnel Management (OPM) to study the issue of law enforcement compensation. That legislation was enacted as Public Law 108-196 at the end of 2003. By July 2004, OPM issued its report recognizing that “the demands on federal law enforcement agencies and their personnel are global, changing, and increasing; however, the systems of pay and benefits do not reflect this reality and remain fragmented and inflexible.” OPM, in its report, took the position that Congress should enact legislation authorizing OPM to issue regulations that would eliminate unwarranted disparities in these areas while providing appropriate pay and benefits for employees in law enforcement occupations. The Subcommittee expects to continue developing a comprehensive federal law enforcement pay and benefits reform bill.

## IMPROVING THE HIRING PROCESS IN THE FEDERAL GOVERNMENT

The federal government takes on average 4-8 months to hire employees, from the time a job vacancy announcement is publicly posted until an offer is made to a candidate. Although data from the private sector is difficult to confirm, it is estimated that private firms take an average of 2-6 weeks to conduct a similar process. In the 108<sup>th</sup> Congress, the Subcommittee held two oversight hearings to examine the reasons for the delays in the federal process and uncovered a number of deep-seated problems, including: unclear vacancy announcements, excessive layers of approval, little use of statutory hiring flexibilities, and poor guidance from the Office of Personnel Management (OPM). OPM is working to reform hiring at select agencies through its “Extreme Hiring Makeover” project. The Subcommittee intends to prepare a report on the federal hiring process and will continue to engage in oversight of this area and explore legislative remedies.

## PAY FOR PERFORMANCE

With the passage of the Homeland Security Act in 2002 creating a new personnel system for the new Department of Homeland Security (DHS), the passage of the National Security Personnel System for the Department of Defense (DoD) in 2003, the establishment of a new governmentwide performance-based pay system for members of the Senior Executive Service (SES) in 2004, and the growing number of agencies wishing to adopt similar pay flexibilities, time is ripe to engage in aggressive oversight of the implementation of the new personnel systems at DoD, DHS and for the members of the SES. The Subcommittee also expects to establish a governmentwide performance-based compensation framework for all federal personnel systems. In fact, the Office of Management and Budget (OMB) announced on January 26, 2005, that the Administration will propose revamping personnel rules governmentwide sometime in 2005 and such

proposal will be reflected in the President's fiscal 2006 budget proposal. OMB expects the proposal to resemble the new personnel systems being developed at DoD and DHS.

#### THRIFT SAVINGS PLAN (PREPARING FOR RETIREMENT)

The Thrift Savings Plan (TSP) is an integral part of the retirement benefits package offered to federal employees under the Federal Employees Retirement System (FERS). Similar to the 401(k) offered by private sector companies, federal employees may contribute tax-deferred money into any of five funds managed by the Federal Retirement Thrift Investment Board (FRTIB). At the end of the 108th Congress, the Subcommittee began to investigate the possibility of adding a sixth fund to the TSP, a real estate investment trust (REIT). In the 109<sup>th</sup> Congress, the Subcommittee expects to continue investigating the possibility of adding a new fund to the Plan. The Federal Retirement Thrift Investment Board also expects to have two new investment funds for federal employees in place by early 2005, the "lifestyle" and "life cycle" funds. These investment funds are not new, but rather compilations of existing funds. Moreover, the Subcommittee expects to consider whether the TSP can serve as a useful model for proposals to privatize Social Security for federal and private sector employees.

#### INTELLIGENCE REFORM

With the passage of the *National Security Intelligence Reform Act of 2004*, the intelligence community will face numerous management challenges in the 109<sup>th</sup> Congress. The Act created a new position, the Director of National Intelligence, to oversee the National Intelligence Program, which is comprised of more than ten agencies scattered throughout the federal government. Integration of these previously uncoordinated agencies under the Office of the Director will prove to be a management challenge on the order of the integration of the Department of Homeland Security. Subcommittee staff expects to closely monitor and oversee these implementation issues, as well as other personnel and reorganization matters.

#### TELECOMMUTING

There are many benefits to telecommuting, including improvements in employee morale and effectiveness; reductions in transportation costs, including car insurance, maintenance, and wear; retention of skilled employees and reduction in turnover due in part to increased job satisfaction; accommodation of employees with short- or long-term health problems or family responsibilities, such as those associated with elder care and latch-key children; cost savings to the federal government in regard to office space, sick leave absences, and energy conservation; better use of employees' peak productivity periods within the limits of established laws; reduction in automobile-created air pollution and traffic congestion; potential for increased productivity; and improved work atmosphere due to fewer co-worker non-business interruptions. In addition, Congress and the Office of Personnel Management have made telecommuting an integral part of emergency planning for continuity of operations should the federal government be shut down due to terrorism or a catastrophic event. In July 2004, the full Government Reform Committee conducted a

hearing to investigate why telecommuting has remained under-funded despite the passage of legislation requiring all eligible federal workers be allowed to telecommute by April 2004. Members of Congress have threatened punitive action, including cutting agency budgets, unless this problem is remedied. In the 109<sup>th</sup> Congress, the Subcommittee will keep vigorous attention on the funding of telecommuting by agencies, as all agencies should be fully in compliance. The Subcommittee will continue to engage in oversight of telecommuting issues and explore legislative remedies.

#### OVERSIGHT OF NEW PERSONNEL MANAGEMENT SYSTEMS AT THE DEPARTMENT OF DEFENSE AND THE DEPARTMENT OF HOMELAND SECURITY

During the 109<sup>th</sup> Congress, the Subcommittee fully expects to engage in aggressive oversight of the Department of Defense (DoD) and the Department of Homeland Security (DHS) in their implementation of new personnel management systems. Final regulations for the new DHS Human Resources Management System were posted at the Federal Register on January 27, 2005. In addition, OPM and DoD are consulting with each other prior to the publication of final regulations for DoD's new personnel management system, the National Security Personnel System. The Subcommittee expects to closely track the progress of the implementation efforts and apply any lessons learned to proposals that would extend personnel flexibilities governmentwide.

#### MONITORING AGENCY USE OF FEDERAL WORKFORCE FLEXIBILITIES

In the 108<sup>th</sup> Congress, the President signed into law the Federal Workforce Flexibility Act, P.L. 108-411, aimed to modernize and update personnel flexibilities and authorities available to agencies of the federal government. The Subcommittee will engage in oversight of the effectiveness and agency use of these new management tools: 1) Recruitment, Retention and Relocation Bonuses. Federal agencies now have enhanced flexibility, within their budgets, to pay bonuses of up to 100% of pay (over a 4- year period) to help agencies recruit, retain and relocate employees in the civil service on a targeted basis. 2) Agency Training. Federal agencies are now required to link agency training programs with their performance plans and strategic goals, establish a comprehensive management succession program, and provide special training to help managers deal with employees whose performance is unacceptable. 3) Annual Leave. To help recruit qualified executives, members of the Senior Executive Service hired from the private sector will now receive the same vacation benefits as those hired internally, and other newly-hired federal employees with qualifying non-federal experience will receive credit for that experience in determining the amount of their vacation time. 4) Compensatory Time for Travel. In situations where federal employees must travel outside normal working hours, they will receive compensatory time off for their travel time.

#### STUDENT LOAN REPAYMENT

The Subcommittee expects to continue to engage in oversight of the student loan repayment program. Recruitment of talent to the federal government has remained a high

priority as an unusually large portion of federal employees nears retirement eligibility. To replenish the workforce with younger workers, Congress has equipped agencies to recruit with the ability to repay student loan debt, reportedly the most sought after benefit for recent college graduates. In the 108<sup>th</sup> Congress, the Subcommittee ushered into law the *Federal Employee Student Loan Assistance Act*, which increased the amount that agencies can repay. Agencies can now repay \$10,000 (previously \$6,000) per year and \$60,000 (previously \$40,000) in the lifetime of an employee. Most agencies, though, have been reluctant to make significant use of this flexibility in either 2002 or 2003. Additionally in the 108<sup>th</sup> Congress, Chairman Tom Davis introduced H.R. 1056, the “Generating Opportunity by Forgiving Educational Debt for Service Act of 2003,” which would allow agencies to repay student loan debt on a tax-free basis. In the 109<sup>th</sup> Congress, the Subcommittee is likely to pursue this important flexibility once again.

### EARLY OPTIONAL RETIREMENT AND BUY OUTS

Agencies can, with the approval of the Office of Personnel Management (OPM), offer an early voluntary retirement option to employees during a reduction-in-force (RIF) due to a major reorganization, workload change, or other applicable reasons. Early optional retirement authority assists an agency undergoing a major reorganization, or a major transfer of function to complete such a change with a minimal disruption to its work force. When OPM determines that an agency is undergoing such a change, an eligible employee may apply to retire on an immediate annuity under the early optional retirement provisions. These provisions allow an eligible employee to retire at age 50 after 20 years of service, or at any age with 25 years of service. In addition, an agency undergoing a major reorganization, or a major transfer of function can offer a separation incentive payment to encourage employees to separate during a RIF. The lump-sum amount an agency pays to an employee after his or her voluntary separation is equivalent to the lesser of severance pay an employee would receive, \$25,000, or an amount determined by the agency head, and is paid from funds the agency would use for the employee's salary. The Subcommittee expects to review the use of these authorities to ensure that they are being used effectively.

### PURSUING ANOTHER ROUND OF FEDERAL WORKFORCE FLEXIBILITIES

The Subcommittee will explore ideas for developing another round of federal workforce flexibilities and will work with the Office of Personnel Management to introduce non-controversial technical amendments to correct statutory discrepancies that have been introduced into Title 5 through legislation or judicial interpretation.

### CHIEF HUMAN CAPITAL OFFICERS/SUCCESSION PLANNING

The Chief Human Capital Officers Act of 2002 (CHCO), enacted as part of the Homeland Security Act of 2002, requires the heads of Cabinet level departments and nine major agencies to appoint or designate a Chief Human Capital Officer to advise and assist the head of the agency in carrying out responsibilities for selecting, developing, training and managing a high-quality workforce. The CHCO Act also establishes a CHCO Council

to advise and coordinate the activities of the agencies of its members on such matters as modernization of HR systems, improved quality of HR information, and legislation affecting HR operations and organizations. There are five Council Subcommittees which include: Subcommittee on the Hiring Process; Subcommittee on Emergency Preparedness; Subcommittee on Performance Management; Subcommittee on Leadership Development and Succession Planning; and Subcommittee on Employee Conduct and Poor Performers. In September, 2004, the CHCO Council issued its Annual Report to Congress outlining its accomplishments for fiscal year 2004, including Council activity and meetings held, interaction with Congress, and CHCO Subcommittee activity. The Subcommittee expects to continue to monitor the progress and effectiveness of the CHCO Council and the CHCO Subcommittees, particularly in the areas of the hiring process, poor performers, performance management, and succession planning.

### POOR PERFORMERS

The federal government's general inability to deal effectively with poor performers in the workplace is well known. Employee surveys have shown that the federal workforce is dismayed over the continued presence of poor performers in federal government positions. The Subcommittee expects to examine the best manner in which to approach this issue with the goal of building a case for specific legislative action. GAO is currently working on a report for the Subcommittee, which is intended to make specific recommendations based on an examination of the issue.

### FEDERAL EMPLOYEE APPEALS/EMPLOYEE RIGHTS

The current appeals process for federal employees involves several agencies, including: Merit Systems Protection Board; Equal Employment Opportunity Commission; the Office of Personnel Management; the Office of Special Counsel; and the Federal Courts. In addition, agencies may have internal grievance systems for employee complaints, governed by collective bargaining agreements, and disputes between agencies and labor unions are adjudicated by the Federal Labor Relations Authority. The Subcommittee expects to fully examine the effectiveness, efficiency and necessity of the aforementioned agencies and systems and study ways to improve and streamline such procedures. Additionally, the Subcommittee expects to monitor the flexibilities given to the Department of Homeland Security and the Department of Defense for developing new appeals processes.

### STREAMLINING THE PRESIDENTIAL APPOINTMENT PROCESS

In an effort to allow a President to put his Administration in place in an expeditious fashion, provisions of the Intelligence Reform bill focus on expediting the Presidential appointments process with special emphasis on streamlining the financial disclosure process for Executive branch nominees and employees. The existing financial disclosure requirements are cumbersome and seek more information than may be necessary to determine whether conflicts exist for Executive branch employees. The Subcommittee expects to conduct oversight of the new law, as well as explore the need to streamline and

simplify the financial disclosure process for senior officials of ALL three branches of the federal government.

## EMPLOYEE SURVEYS

Pursuant to The National Defense Authorization Act for Fiscal Year 2004 (H.R. 1588/P.L. 108-136), the Office of Personnel Management (OPM) is now required to administer an annual survey of federal employees in all agencies to assess: leadership and management practice that contribute to agency performance; employee satisfaction with leadership policies and practices; their work environment; rewards and recognition; opportunities for professional development and growth; and opportunities to contribute to agency mission. The goal behind the employee surveys is to not only help create useful metrics to measure and improve the morale and effectiveness of the civil service workforce, but to also improve transparency and accountability within the government. Additionally, data from these surveys will provide agencies, Congress, and the public with valuable insight into the personnel issues that drive agency performance. OPM is required to issue regulations to prescribe survey questions that should appear on all agency surveys under these provisions, however, those regulations have not been released and are still pending at OPM. OPM has not announced a possible release date. The Subcommittee plans to monitor OPM's progress in administering the survey and thoroughly examine the survey results with a goal of improving the management and structure of the federal workforce.

## IMPROVING THE FEDERAL EMPLOYEE HEALTH BENEFITS PROGRAM

The Federal Employees Health Benefits Program (FEHBP) became effective in 1960. It is the largest employer-sponsored group health insurance program in the world, covering over 9 million federal employees, retirees, former employees, family members, and former spouses. The Office of Personnel Management (OPM) administers the FEHBP. The Subcommittee expects to continue oversight over all FEHBP issues generally, with an emphasis on the use of Health Savings Accounts, flexible spending accounts, the Federal Long Term Care Insurance Program and the implementation of the new dental and vision benefit offerings for federal employees.

The Subcommittee is also expected to review and consider areas in which the FEHBP can help drive improvements in the quality of healthcare for its members. Such as:

- 1) Electronic Medical Records. The use of electronic medical records could reduce errors and improve the quality of care. Such records would also reduce paperwork and misdiagnosis.
- 2) Electronic Prescribing. The use of electronic prescribing would reduce prescription errors, ensure medication safety and save approximately \$28 billion per year.
- 3) Pay for Performance. Pay for performance plans in the health industry incorporate a financial reward system for providers that demonstrate good and safe care. Such plans could also provide incentive to reduce errors and waste and have great potential for improving patient care and cost savings.
- 4) OPM's *HealthierFeds* campaign and Health literacy. The Subcommittee will explore the possibility of offering incentives and rewards for those who lead healthy lifestyles and make healthy choices, i.e., non-smokers v.

smokers. 5) Comprehensive Care for Depression. Depression often accompanies other diseases, such as diabetes and heart disease, and not only increases the cost of treatment but has an impact on the ultimate outcome. The Subcommittee will examine whether the FEHBP should include comprehensive mental health treatment. 6) Coordinated Care for Chronic Diseases. The prevalence of chronic disease, especially in the elderly, coupled with the growing number of retirees, calls for coordinated care of chronic diseases.

## GAO HUMAN CAPITAL FLEXIBILITIES

In the 108<sup>th</sup> Congress, the Subcommittee ushered into public law the *GAO Human Capital Reform Act of 2004*. This legislation was designed to help the Government Accountability Office (GAO), Congress' investigative arm, better design its performance management system as well as reshape its workforce through various important management flexibilities. The GAO has been a leader in human capital reforms internally and has promoted widespread reform throughout the federal government in such areas as: pay-for-performance; succession planning; workforce reshaping and hiring. GAO has been widely viewed as a model of human capital management, to serve as a benchmark of achievement for other federal agencies. In the 109<sup>th</sup> Congress, the Subcommittee expects to conduct oversight of GAO's use of its new flexibilities. Additionally, the Subcommittee may work with GAO to seek other management flexibilities to further modernize their human resources management system.

## FEDERAL WILDLAND FIREFIGHTERS

The forest health conditions too often make our forests and rangelands vulnerable to catastrophic fires, which threaten communities, the natural resources on forest and rangelands and the brave wildland firefighters who risk their lives twenty-four hours a day battling intense and difficult fires. The Subcommittee expects to examine the need for reforming the way federal wildland firefighters are paid.

## AGENCY ORGANIZATION

This aspect of the Subcommittee's jurisdiction is very broad and includes oversight of the general organizational proficiency of all federal agencies. The Subcommittee spent considerable time investigating the organizational structure of many federal agencies and found widespread inefficiency and disorder. One area of concentration for the Subcommittee's oversight was the federal food inspection system. This system is comprised of 10 federal agencies that enforce more than 35 food safety laws, some of which were passed 100 years ago before significant scientific advances in food safety techniques were developed. Such nonsensical fragmented responsibilities, as having USDA inspecting pepperoni pizzas and the FDA inspecting cheese pizzas, leads to gaps, inconsistencies, ineffective government oversight and an unacceptable level of protection of the public. The Subcommittee's objective in this area has been to focus public attention on the need for organizational improvement in these and other agencies as a foundation for improving government services, as well as highlight the need to re-institute Presidential fast-track authority. The Office of Management and Budget announced on January 27,

2005, that the Administration plans on submitting legislation that would create two new commissions to oversee the shutdown or overhaul of government programs that have outlived their usefulness. The Subcommittee will continue to engage in oversight of this area and explore legislative remedies.

#### FAST-TRACK REORGANIZATION AUTHORITY

Fast-track authority was first given to the President in 1932 to develop a plan to reorganize the Executive branch, which would then be voted up or down in its entirety by the Congress. In the 108<sup>th</sup> Congress, both the full Government Reform Committee and the Subcommittee held hearings to discuss the possibility of reinstating this authority for the President for the first time since it expired in 1981. In the 109<sup>th</sup> Congress, fast-track authority legislation will likely be a high priority for the Government Reform Committee, having full support from Chairman Tom Davis, as well as solid support from Majority Leader Tom DeLay. The Subcommittee will continue to engage in oversight of this area and explore legislative remedies.