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**Prepared Statement before the
Subcommittee on Legislative
Branch Appropriations,
Committee on Appropriations,
House of Representatives**

*On the Appropriations Request
of the Government Printing Office
for Fiscal Year 2009*

H-144, The Capitol

Thursday, March 6, 2008
10:00 AM



Madam Chair, Representative Latham, and Members of the Subcommittee on Legislative Branch Appropriations:

It is an honor to be here today to present the appropriations request of the Government Printing Office (GPO) for fiscal year (FY) 2009.

Results of FY 2007

For the past five years we have worked to transform GPO from a traditional printing factory into a state-of-the-art digital business that is dedicated to meeting the 21st century information product needs of the Government and the public. The record of 2007 shows that with the plan we developed, and with the hard work and support of our talented employees, we put GPO on the path to increase access by the American people to digital and other information products of the Federal Government, and to unlock our potential for the future.

With the print marketplace shifting from analog to digital technologies, GPO's customers in Congress, Federal agencies, and among the public require dynamic and creative solutions to meet their changing needs. In 2007 we achieved major milestones in customer service and product development for the Federal marketplace in printing and information management.

We responded to the Nation's explosive demand for the new e-passport by more than doubling previous production. We implemented a new, flexible program for meeting the document reproduction needs of Federal agencies through a well recognized national vendor. We developed an information rich online guide to House and Senate Members of Congress. We readied our new digital platform, GPO's Federal Digital System (FDsys), which will be a digital repository for all Federal documents, for its first public release in 2008.

We have carried our innovative performance into FY 2008. This year, for the first time in history, the President transmitted his *Budget of the United States Government* to Congress electronically. GPO assisted OMB by providing authentication for the *Budget* via digital signature. This authentication verifies to anyone who downloads the *Budget* that the content has not been changed or altered. GPO's authentication capability ushers in a new era for Federal publications in terms of digital capability. Along with ongoing programs for the use of recycled paper and vegetable-based ink, digital also helps promote environmental sustainability in the Government's publishing and information dissemination activities.

These innovative contributions to the Government's information toolkit are emblematic of today's GPO: a modern, efficient, and effective partner in providing a broad range of products beyond printing, the theme of our recently released Annual Report. They and other services like them are just some of the examples of how GPO will fulfill its mission to *Keep America Informed* in the digital age.

Our original objective in transforming GPO was to ensure that it survives. We achieved that goal and more, and now GPO is beginning to thrive. In 2007 I am pleased to report that we recorded net income for the fourth consecutive year, including another positive adjustment to our long-term workers' compensation liability.



We increased overall revenues to levels that have not been experienced at GPO for more than a decade, principally as the result of e-passport work produced through our security and intelligent documents business unit as well as other inplant operations. Efforts to economize and increase efficiency also contributed measurably to our financial results. We are grateful to the support provided to our appropriations request for FY 2008 by this Subcommittee and its staff.

FY 2009 Appropriations Request

For FY 2009, we are requesting a total of \$174,354,000, to enable us to:

- meet projected requirements for GPO's congressional printing and binding and information dissemination operations during FY 2009;
- recover the shortfall in the Congressional Printing and Binding Appropriation accumulated in FY 2007 and projected for FY 2008;
- provide investment funds for necessary information dissemination projects in the Federal Depository Library Program;
- complete the initial release of FDsys and continue development of system enhancements, and implement other improvements to GPO's information technology infrastructure; and
- perform essential maintenance and repairs to our aging buildings.



Of the total funding increase requested by GPO for FY 2009, approximately \$21.2 million, or 43%, is directly related to the establishment and operation of FDsys, which is being designed to ingest, organize, manage, and output authenticated, official Federal information content for any use or purpose. The funding package for FDsys that we are proposing for FY 2009 includes \$15.5 million for GPO's revolving fund to complete the initial release of FDsys and continue development of system enhancements; begin replacing GPO's aging Microcomp automated composition system with modern technology to be used for accepting information to FDsys; and replace GPO's dated Production Estimating and Planning (PEPS) system with a modern manufacturing workflow system, to be used to track and manage workflow through FDsys. It also includes \$5.7 million for GPO's Salaries and Expenses Appropriation to digitize the legacy FDLP collection and acquire expanded Web harvesting services, both of which will provide information for ingest to Fdsys. When implemented, these systems will be coordinated with GPO's Oracle-based financial systems, resulting in a seamless digital platform for the provision of GPO products and services for years to come.

Congressional Printing and Binding Appropriation: This account covers the cost of printing and other information services supporting the legislative process in the House of Representatives and the Senate. These services include production—in both print and online formats—of the daily and permanent *Congressional Record*, bills, resolutions, and amendments, hearings, committee prints and documents, miscellaneous printing and binding including stationery and document franks, and related products, as authorized by the public printing provisions of Title 44, U.S. Code.

We are requesting \$97,928,000 for this account, representing an increase of \$8,153,000 over the level provided for FY 2008. The increase represents the shortfall in this appropriation accumulated in FY 2007 and projected for FY 2008, offset in part by reductions in various congressional printing workload categories that are anticipated based on historical projections for a first session year following a Presidential election.

The Congressional Printing and Binding Appropriation is essentially an estimate of the work that Congress will require to support its operations in a given fiscal year. A shortfall in this appropriation occurs when available funding is insufficient to fully cover the costs of congressional work. GPO does not have the authority to refuse to perform work that is required by Congress in the absence of funds. Instead, GPO will produce the work and temporarily finance it with available funds in our revolving fund. GPO then seeks to have Congress pay back the shortfall in subsequent appropriations, in order to restore funds that are meant to be used for investment in new equipment and technology.

During FY 2008, GPO reduced key congressional rates based on redistributing overhead costs, which was made possible by financial performance in other business units. The resulting costs reduced the shortfall accumulated in FY 2007 and projected for FY 2008 from \$17.2 million to approximately \$9.3 million. The shortfall will be partially offset by anticipated reductions in a number of congressional workload categories, principally the U.S. Code, hearings, the *Congressional Record*, and business and committee calendars. The increase we are requesting represents the amount that is required to be restored to GPO's revolving fund.

Under our appropriations bill language, GPO has the authority—with the approval of the Committees on Appropriations—to transfer forward the unexpended balances of prior year appropriations. We appreciate the support you have shown GPO this year by authorizing the transfer of approximately \$1.1 million in prior year balances from FY 2004 and 2005 to the revolving fund. These funds will be used to offset part of the shortfall.



Congressional Printing and Binding

FY 2008 Approved	\$ 89.8 million
FY 2009 Request	\$ 97.9 million
Change	\$ 8.1 million

Change includes:

Repaying the shortfall sustained in FY 2007 and projected for FY 2008

Salaries and Expenses Appropriation of the Superintendent of Documents: The largest single component of this appropriation is for the Federal Depository Library Program (FDLP), under which publications in print and electronic formats are made available to approximately 1,250 libraries nationwide for the free use of the public. This account also provides for the cataloging and indexing of Government publications as well as the distribution of Government publications to international exchange libraries and other recipients as authorized by the documents provisions of Title 44, U.S. Code.

We are requesting \$43,426,000 for this account, representing an increase of \$8.5 million over the current level of funding. The increase is required to cover mandatory pay and price level increases as well as overhead distribution, and to continue improving public access to Government information in electronic formats. Of the total increase, \$917,000 is for mandatory pay and price level changes, and \$1,164,000 is for the level of overhead required to be distributed to Salaries and Expenses programs. The balance of \$6,432,000 is for program investments.

As GPO continues to perform information dissemination through the FDLP on a predominately electronic basis, which was mandated in the conference report accompanying the Legislative Branch Appropriations Act for FY 1996, we need to invest in technology infrastructure and supporting systems. Our requested increase will cover projects for FDLP program outreach, additional data storage, modernization of items selection systems and other mainframe-based applications, the cataloging of content, and the initial costs for digitizing the FDLP legacy collection, a key component of GPO's strategic vision and FDsys.

Salaries and Expenses

FY 2008 Approved	\$ 34.9 million
FY 2009 Request	\$ 43.4 million
Change	\$ 8.5 million

Change includes:

Mandatory Requirements	\$ 2.1 million
Investment Requirements	\$ 6.4 million

Revolving Fund: We are requesting \$33,000,000 for this account, to remain available until expended, to fund essential investments in other information technology infrastructure and systems development, and facilities maintenance and repairs.

The key projects covered by this request include \$10,000,000 to complete the development of FDsys, which is scheduled to go live later this year, and continue development of system enhancements; \$5,500,000 to begin replacing GPO's 30-year old automated composition system and upgrade GPO's manufacturing workflow tracking system; and \$17,500,000 for maintenance and repairs to GPO's buildings, including elevator replacement and renovation, window replacement, retrofitting our air handling units with more efficient equipment, replacing the roof membrane and insulation, and related projects. These facilities projects will protect our employees and improve the energy efficiency of GPO's buildings. At the same time, we are continuing to review options for the future of GPO's buildings, including renovation and/or construction of new facilities on GPO-owned property.



Revolving Fund

FY 2008 Approved	\$ --
FY 2009 Request	\$ 33.0 million
Change	\$ 33.0 million

Change includes:

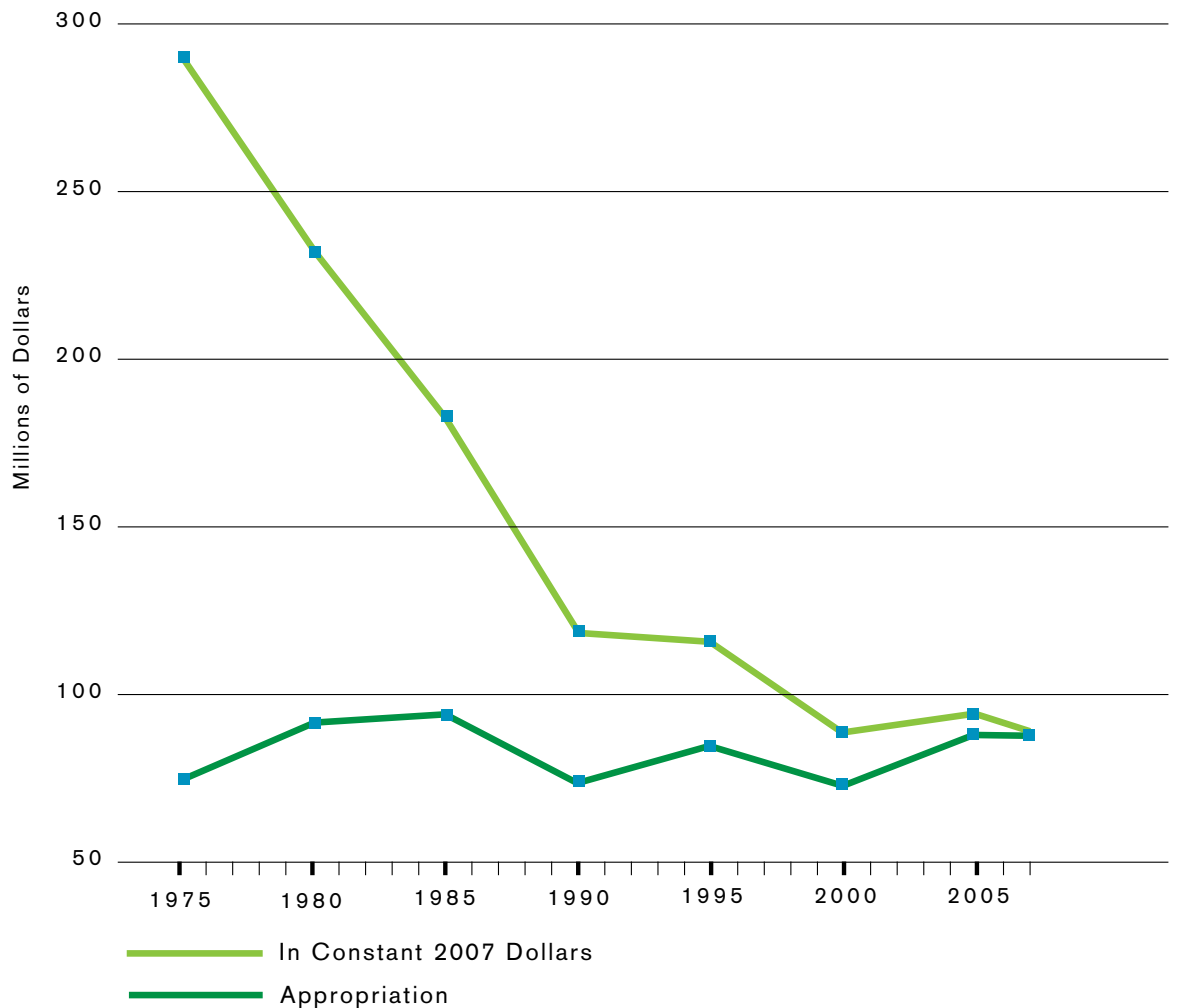
Investments in information technology infrastructure and systems development	\$ 15.5 million
Building maintenance and repairs	\$ 17.5 million

Madam Chair, Representative Latham, and Members of the Subcommittee, we look forward to working with you, and with your support we can continue GPO's record of achievement. To assist you in your review of our request, I am including with my prepared statement several charts illustrating how GPO's use of technology has generated savings in congressional printing costs and distribution costs, how a significant part of our request this year is to support our FDsys project, and showing how the close relationship of GPO to congressional printing in the process of how a bill becomes a law.

GPO Generates Savings for Congress

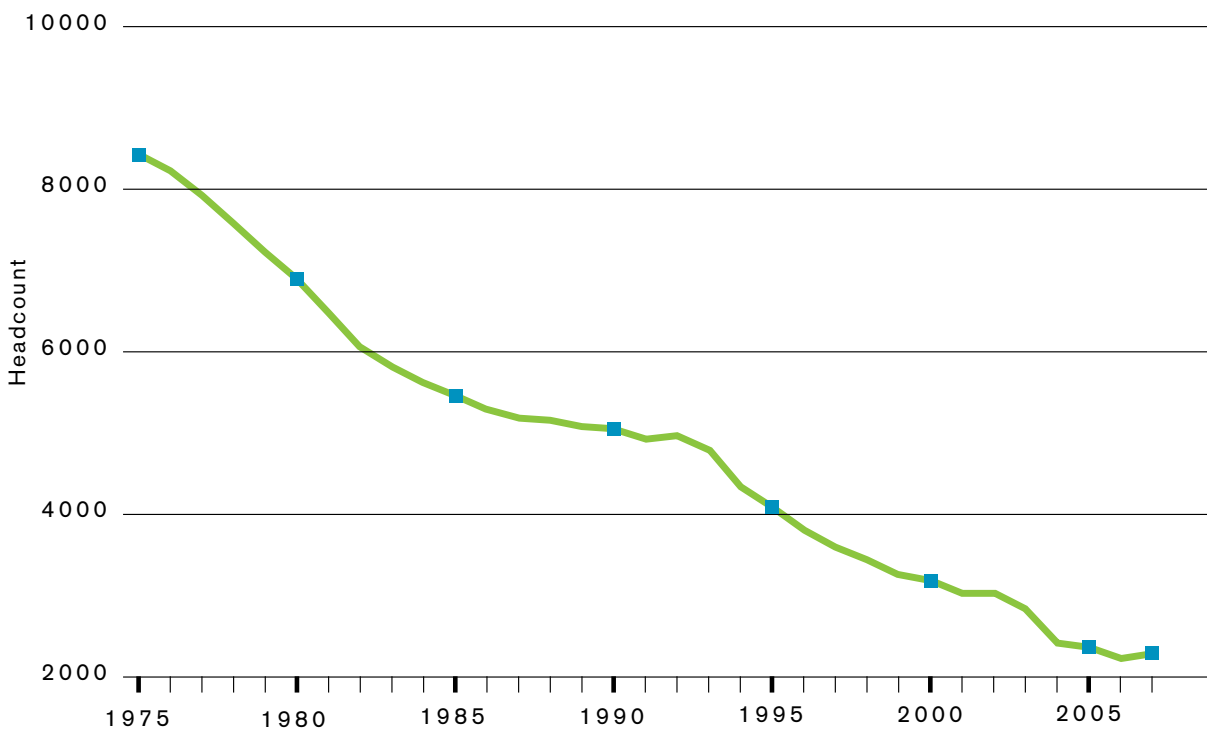
GPO's use of electronic printing and information technologies has significantly reduced the cost, in real economic terms, of congressional publications. In FY 1975, on the threshold of our conversion to electronic photocomposition, the appropriation for Congressional Printing and Binding was \$74.8 million, the equivalent in today's dollars of \$290 million. By comparison, GPO's approved funding for FY 2008 is \$89.8 million, a reduction of more than 70% in real economic terms. This has resulted in taxpayer savings of hundreds of millions of dollars. The savings have come from productivity improvements and staffing reductions made possible through the use of modern information technology.

Congressional Printing and Binding Appropriation FY1975 – FY2007



Productivity increases resulting from the use of electronic printing and information technologies have enabled GPO to make substantial reductions in staffing requirements while continuing to improve services for Congress. In the mid-1970's, GPO employment was approximately 8,200. Today, GPO has approximately 2,300 employees on board, fewer than at any time in the past century. In the past 4 years alone GPO's staffing has been reduced by 28%. Personnel reductions at GPO have been accomplished while modernizing and improving GPO services.

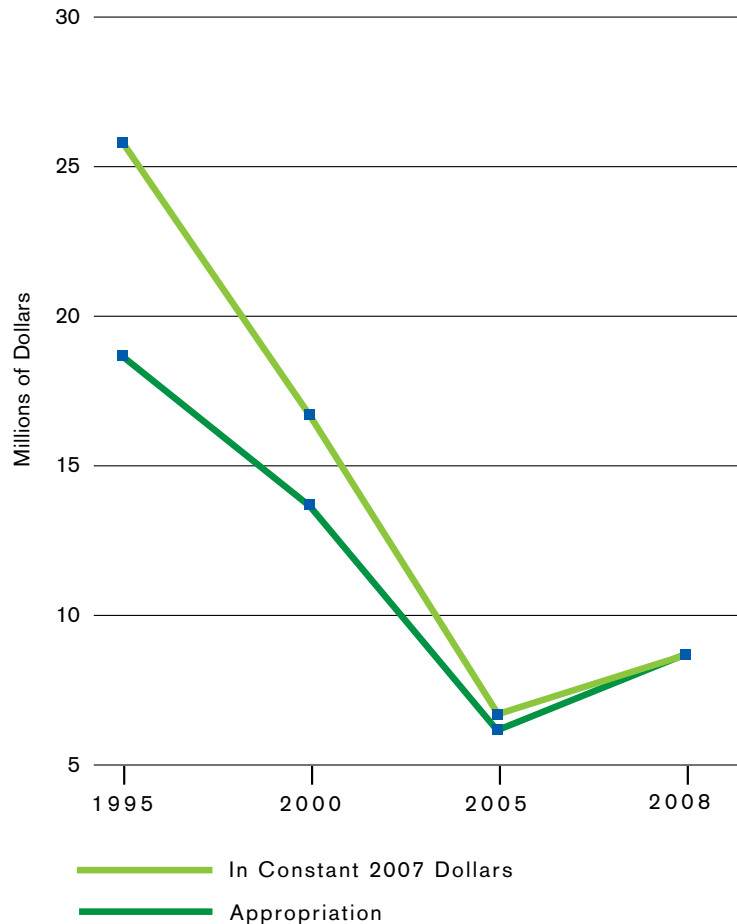
GPO Staffing Requirements FY1975 – FY2007



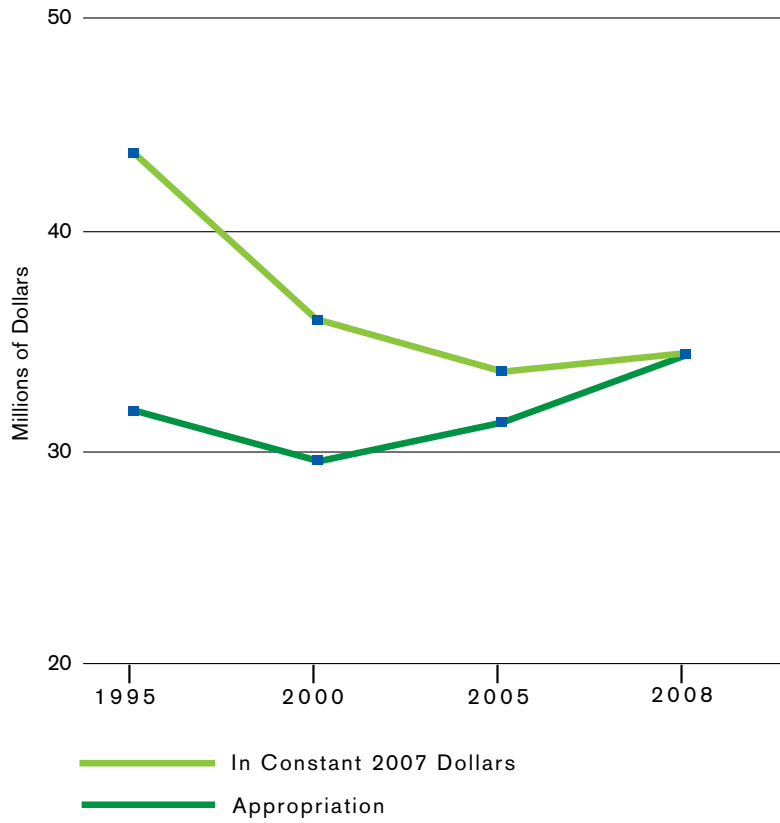
GPO Achieves Savings in Information Dissemination

GPO once distributed Government documents to Federal depository libraries primarily in print and related formats, including microfiche and CD-ROM. In FY 1995, the year that *GPO Access* debuted, this activity was funded at an annual cost of \$18.7 million, the equivalent of \$25.8 million in constant 2007 dollars. For FY 2009, the same function can be funded at \$8.7 million, a reduction of approximately two-thirds in real economic terms. GPO used the savings from reduced printing distribution to fund the establishment and operation of *GPO Access*, achieving additional savings for the taxpayers and vastly expanding public access to Government information. This achievement also allowed the Salaries and Expenses Appropriation to remain relatively flat for more than a decade. GPO's plan to establish and operate a modern, state-of-the-art digital platform in FDsys will potentially achieve further savings and even broader public access to Government information.

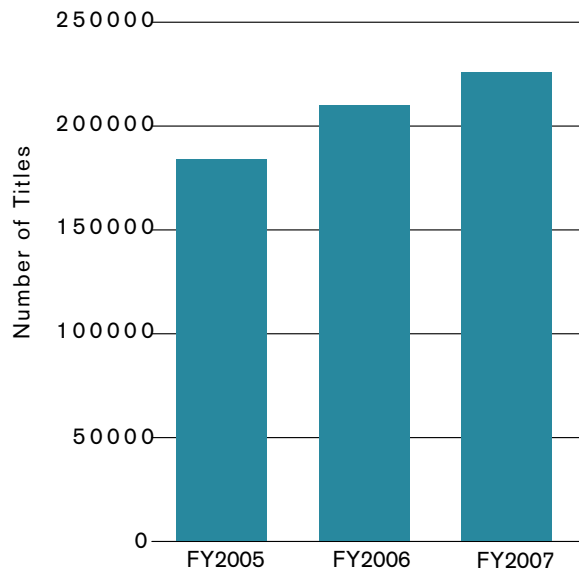
Costs of Printing and Distribution to Depository Libraries FY1995 – FY2008



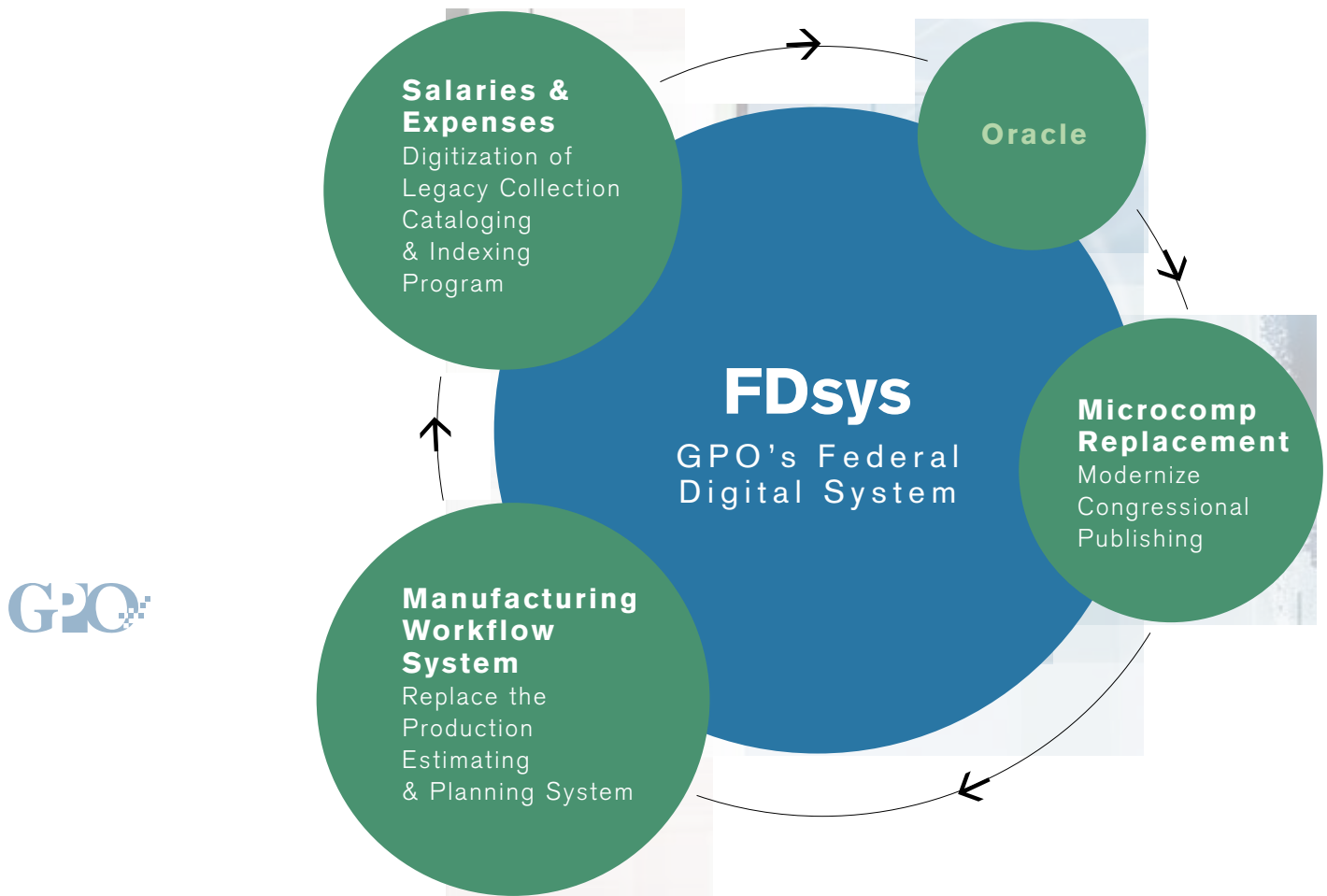
Salaries and Expenses Appropriation FY1995 – FY2008



Titles Available on GPO Access



Information Technology Projects

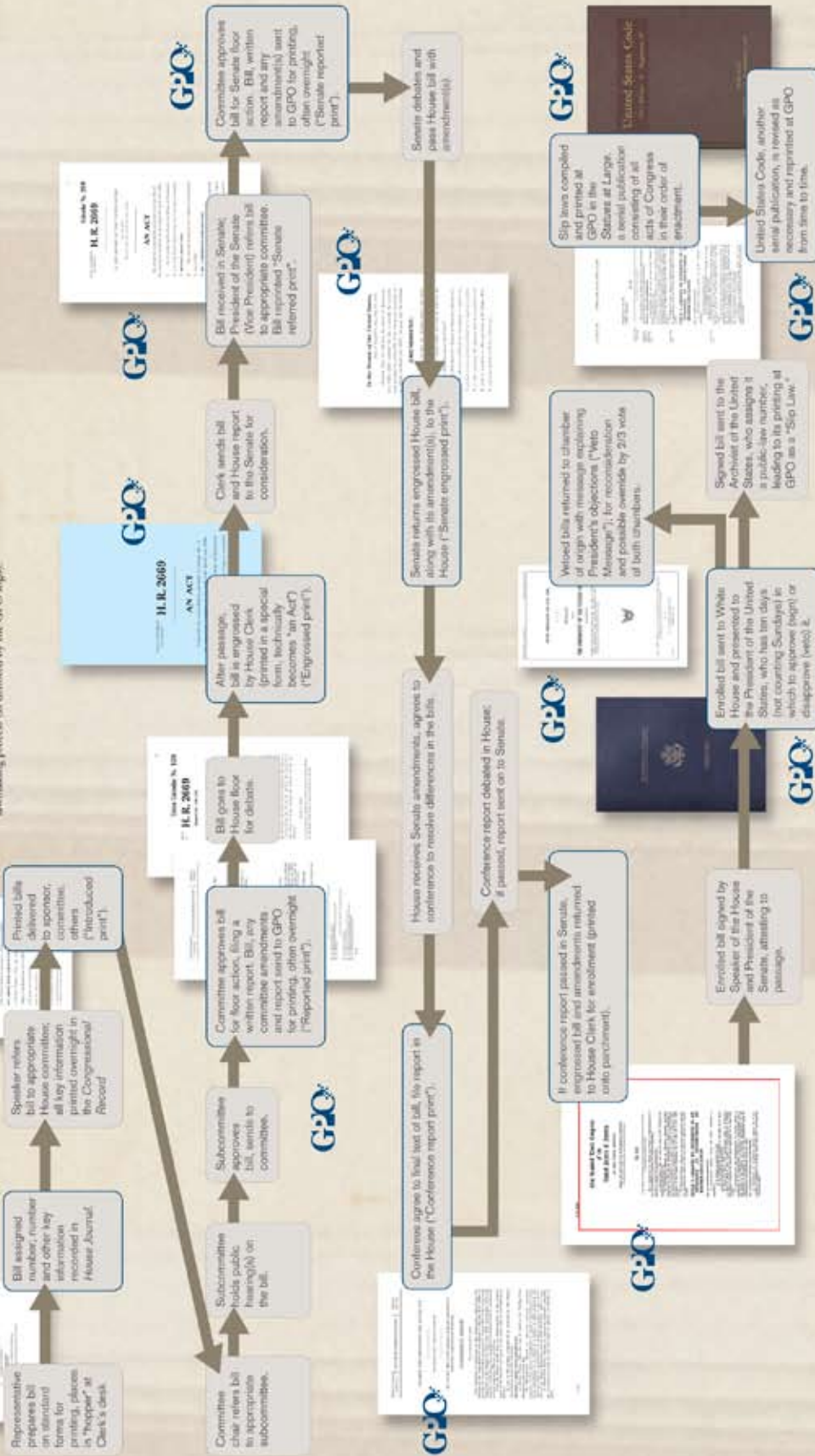


Of the total funding increase requested by GPO for FY 2009, approximately \$21.2 million, or 43%, is directly related to the establishment and operation of FDSys, which is being designed to accept, organize, manage, and output authenticated, official Federal information content for any use or purpose. The funding package for FDSys that we are proposing for FY 2009 includes \$15.5 million for GPO's revolving fund to complete the initial release of FDSys and continue development of system enhancements; begin replacing GPO's aging Microcomp automated composition system with a modern technology to be used for accepting information to FDSys; and replace GPO's dated Production Estimating and Planning (PEPS) system with a modern manufacturing workflow system, to be used to track and manage workflow through FDSys. It also includes \$5.7 million for GPO's Salaries and Expenses Appropriation to digitize the legacy FDLP collection and acquire expanded Web harvesting services, both of which will provide information for ingest to Fdsys. When implemented, these systems will be coordinated with GPO's Oracle-based financial systems, resulting in a seamless digital platform for the provision of GPO products and services for years to come.

HOW A BILL BECOMES A LAW

Displayed is an outline of the many steps to our Federal lawmaking process from the introduction of a bill by any Member through passage by the U.S. House of Representatives and U.S. Senate and approval by the President of the United States. Since the large majority of laws originate in the House, the example shown below starts with that body.

The U.S. Government Printing Office (GPO) was established to provide essential printing and binding for the Congress and there is a close relationship between Congress and GPO. This relationship is demonstrated here by the many instances when GPO's electronic dissemination and printing services are required in the lawmaking process (as denoted by the GPO logo).





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