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Statement of Sen. Chuck Grassley before Permanent Subcommittee on Investigations
Hearing: "The Defense Travel System: Boon or Boondoggle?"
Thursday, Sept. 29, 2005

Mr. Chairman, I've been looking into waste, fraud and abuse in Department of Defense travel for several years now. I started with charge cards- travel cards and purchase cards. I think we're all familiar now with the stories of inappropriate purchases made with government charge cards. That led to concerns about other aspects of DoD travel.

Mr. Chairman, you and I and others asked the GAO to look into improper premium class air travel and I testified at a hearing before this committee in November of 2003. We also asked the GAO to issue reports on unused airline tickets going to waste as well as fraudulent travel claims. I also testified at a hearing before the full Governmental Affairs Committee on those issues in June of 2004. At both of those hearings, representatives from DoD came with their tail between their legs promising to do better. They said that there was this new computer system called the Defense Travel System that will fix all the problems.

However, by that time, the DTS already had its own problems. The DTS was originally supposed to be fully implemented by 2002. As this deadline approached, DoD restructured the contract. The taxpayers are now paying most of the development costs and the new deadline to have DTS fully implemented is the end of 2006. In July of 2003, the DoD Inspector General issued a report criticizing DTS for being behind schedule and over the projected cost. In 2003, the DoD Program Analysis and Evaluation Division completed a report questioning whether DTS was the most cost effective solution for DoD travel, but it survived.

Despite all its problems, a lot of taxpayers' money has been sunk into DTS. I want to know what the taxpayers are getting for their money. Is DTS really the silver bullet that will solve all of DoD's travel problems? Will it prevent improper premium class travel? Will it catch unused airline tickets so that refunds can be obtained? Will it prevent fraudulent travel claims from being processed? I understand that GAO will testify that DTS can be helpful in some of these areas, although it's clearly not the cure-all it was advertized to be. Moreover, I understand that DTS currently cannot be relied on to find the lowest available airfare consistent with DoD travel requirements. That's a pretty basic function that we ought to expect from a travel system.

Since taxpayer money went into the development of DTS, I also want to know what we purchased. Usually, when the government pays to have something developed, it owns the final product. That doesn't appear to be the case in the DTS contract. So, what exactly did the government buy with all that money? Finally, we have to ask, "Is DTS the most cost effective option for DoD travel at this point?"

Mr. Chairman, I commend you for holding this hearing to get to the bottom of these important questions.