

*Chairman's Statement*  
*Sen. Tom Coburn, M.D. (R-OK)*  
*Federal Agencies and Conference Spending*  
*February 7, 2006*

Accountability is the key goal which drives the oversight work of the Subcommittee on Federal Financial Management. Unaccountable spending of tax dollars is an abuse of power. When Congress exercises its Constitutionally-derived power to levy taxes, but then fails to insist upon accountability, we deprive Americans of the checks and balances to which they are entitled.

Last summer, I sent a letter to every Federal agency requesting a full accounting of conference spending and participation from 2000 - 2005. Some responses were very thorough. Others were indecipherable.

The reports are astounding. Since 2000, we have spent more than \$1.4 billion on conferences – including both underwriting the conferences, as well as sending Federal employees to conferences. Between FY 2000 and FY 2005, total federal conference spending increased almost 70 percent.

What amazes me even more is this increase occurred during a challenging time for our country – a time when our priorities should have been dramatically realigned. We are at war. We face natural disasters. We face unfettered growth in the unfunded liabilities of our entitlement programs.

Historically, presidents have shifted priorities under these conditions. During a time of great challenge and war, President Roosevelt cut non-defense spending by over 20% and several years later, President Truman cut non-military spending by 28%. Today, things are different. For example, HUD increased conference spending a mind-blowing 340% over a four-year period. Every other agency increased their conference spending significantly. This is just irresponsible.

We're going to hear testimony today arguing that, because agency budgets are increasing, spending on meetings and travel must naturally increase proportionally. I would argue just the opposite. As discretionary and mandatory spending increase at a rate that is going to hurt our children and grandchildren, it is all the more important to rein in spending on anything less than truly essential, such as excess meetings and travel. Increased budgets make these expenditures less defensible, not more so.

Technology should reduce need for travel, especially by large delegations. There's a disconnect when conference attendance and spending are increasing at the exact time technology is dramatically reducing the need for travel. In the modern telecommunications era, it is unnecessary to spend time and resources to finance so many conferences. Teleconferences and video conferencing, for example, can save money while allowing the same type of interaction and information sharing at a mere fraction of the cost. I'm not here to get into the weeds of specific conferences, but here are some examples that caught my eye:

In 2004, at least 59 conferences around the world were attended by HHS delegations of greater than 100, including over 1000 attendees to sunny Orlando. In 2002 HHS sent 236 employees to a conference in Barcelona, Spain, spending \$3.6 million on this single conference. The Department of Education sent 158 employees to a conference in New Orleans.

Many conferences are set in beach, resort, casino or European tourist destinations such as Miami, Paris, Palm Springs, Berlin, Atlantic City or Las Vegas where hotel rates are likely to be high and extracurricular temptation to skip so-called “vital” conference sessions are higher. HUD participated in the Sacramento Homeownership Fair, not in Sacramento, or even in California, but in Honolulu, Hawaii. HUD also sent 3 people to Los Cabos, Mexico for a conference about U.S. real estate and urban economics. EPA was the primary sponsor of a national conference in that “low-cost” destination: Honolulu.

One witness today will share his conference experiences as a recent federal official who worked both at the White House and at HHS. He reports that there are few internal controls on conference attendance or spending and questions the cost effectiveness of the array of conferences which many deride as ‘Spring Break.’

Ultimately, some of these problems could be avoided simply by increasing transparency. I hope this hearing is the beginning of that process. There should be a formal vetting and justification process for conference requests, especially when technology allows for teleconferencing and use of the Internet to exchange information. Every department should document conference spending and attendance online in the interest of transparency.

One outcome of our investigation was the near-unanimous complaint from all the agencies about how hard it was to answer our questions. Most responses came back with substantive gaps and missing data. Even these patchy and incomplete responses arrived months after the requested delivery date. The Commerce Department tells my staff that the response is in the mail. Department of Veterans Affairs and the Department of the Interior submitted incomplete reports. Some of you just provided one year’s worth of conference details, when you were asked for five years.

This difficulty responding to simple questions highlights how poorly we track expenditures down to the dollar. Yet that is exactly the appropriate and reasonable expectation of taxpayers.

I do want to commend an exception to the rule. The Department of Energy submitted a highly detailed conference report, and actually tallied individual conference costs from 2001-2005. They also provided a copy of their regulations regarding conference approval and travel. Every year in their report to Congress they detail conference participation and support for the previous year and the coming year estimates. They require personnel to explore off-season travel costs, discourage resort and recreational destination, and they consider “the potential for any adverse appearance associated with DOE participation.” Although DoE, like other agencies, has increased conference spending in recent years, at least the internal controls regarding this spending seem to be better than most.

As we go forward, I would encourage agencies to be sure that every conference attended by Federal employees passes the following tests:

- 1) Does the conference help further the Department's mission?
- 2) Could the information be shared through a teleconference or the Internet?
- 3) Is the location appropriate and justified?
- 4) Is the number of employees attending justified?
- 5) Does participation in the conference validate or endorse ideas or values harmful to American interests and culture?
- 6) Does the conference give a platform to ideas and panelists who undermine American interests?
- 7) Is this a wise use of tax dollars when we have an \$8.1 trillion national debt?

Every conference should be readily defensible, on its face, to regular Americans in terms of topic, location and participants. It is time to scale back, make some tough decisions and set priorities.