Vol. 22, no. 10 GP 3.16/3-2:22/10 July 1, 2001

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Prepared Statement Before the Subcommittee on Legislative Appropriations Committee on Appropriations House of Representatives

On

GPO's Appropriations Request for Fiscal Year 2002 Tuesday, June 26, 2001

Mr. Chairman and Members of the Subcommittee, I am pleased to be here today to present the results of Government Printing Office (GPO) operations for the past year and to request appropriations for FY 2002.

Results of 2000

GPO began the fiscal year with its second consecutive annual designation as the Nation's leading in-plant printing operation, a tribute to the continuing efforts and dedication of its skilled workforce. Noting that 2000 marked GPO's 139th year, the December 1999 issue of *In-Plant Graphics* magazine reported that "GPO has drastically changed itself over the past few years from a strictly ink-on-paper provider to a high-tech digital data delivery organization." We earned our third consecutive designation as the Nation's leading in-plant in the December 2000 issue of *In-Plant Graphics*. In between these two designations, GPO engaged in a number of high-tech online and print activities that supported Congress and Federal agencies, and which helped keep America informed.

Improving public access to electronic Government information was a major focus of our activities in 2000. By arrangement with the U.S. District Court for the District of Columbia, GPO was the outlet for all documents issued by the Court during the Microsoft case in both online and print formats. GPO provided technical support and hosting technology for the Supreme Court's new Web site, which later in the year was the focus of intense public scrutiny with the release of the Court's decisions in the Florida election case. Following the direction of the conferees on the FY 2001 Legislative Branch Appropriations bill, we set new policies for accelerating the transition of GPO's Federal Depository Library Program to an increasingly online basis—a transition that has been underway since 1996. Earlier this year, *GPO Access*, our Internet information service (www.gpo.gov/gpoaccess), was used to release the President's budget documents for FY 2002.

GPO also launched new partnerships with the Department of Energy and the National Library of Medicine to create new online links to scientific and technical as well as medical information, and continued talks with legislative, executive, judicial branch agencies toward the development of effective strategies for ensuring permanent public access in this electronic age. Technology improvements included installing a new T3 fiber optic Internet connection to handle the increased demand for public access to Government information on *GPO Access*, and investigation of public key infrastructure (PKI) technology to enhance security. Currently, *GPO Access* is being used by the public each month to retrieve about 30 million documents published by all three branches of the Government.

GPO's printing functions had a strong year in 2000. We continued to support Congress with the daily production—in both print and electronic formats—of the *Congressional Record* as well as the bills, reports, hearings, and other documents needed by the legislative process. Daily production of essential executive publications such as the *Federal Register*, *Code of Federal Regulations*, passports, and other items continued as well. Our printing procurement program was a major participant in Census 2000, placing more than 80 contracts worth more than \$65 million with dozens of private sector printing contractors across 17 states for the forms and other materials needed in the conduct of Nation's decennial headcount.

During the year, we worked closely with the Joint Congressional Committee on the Inauguration to prepare the programs, tickets, and other materials needed for the inaugural ceremony in January 2001, and on behalf of the Senate Committee on Governmental Affairs we produced the 2000 edition of *U.S. Government Policy and Supporting Positions*—the so-called "Plum Book"—that draws a great deal of attention with the change of Administrations. We also revised and published a new edition of the *GPO Style Manual*, meeting public demand for this widely-used document.

GPO received an "unqualified opinion" on its financial statements for FY 2000 following a comprehensive, independent audit of its financial operations by KPMG LLP. This is the highest level of assurance that an audit firm can give on an organization's financial statements. FY 2000 was the fourth consecutive year that we have received such an opinion since an annual audit requirement for GPO was enacted by Congress in 1996.

Our financial statements reflect that GPO completed FY 2000 with a consolidated under-recovery of \$115,000 on total revenues of \$807.5 million, a margin of about one-one hundredth of 1 percent, a significant improvement over the previous year. GPO undertook a major cost-reduction effort in 2000 with the consolidation of warehouse facilities for publications and paper, a move that will save more than \$5 million over the next 5 years. Staffing levels also continued to decline through attrition, falling by 121 full-time equivalents (FTE's) during the year.

After eight years of service as Public Printer, I am pleased to report that GPO has come a long way over the past decade, successfully transitioning itself from a conventional printing and hard-copy distribution facility staffed by nearly 5,000 employees to a "high-tech digital data delivery organization" with 3,100 staff serving Congress, Federal agencies, the courts, and the public. Along the way, we developed one of the Government's early online dissemination efforts, *GPO Access*, into a comprehensive service that today links millions of Americans in their offices, homes, schools, and libraries with information provided by all three branches of their Federal Government.

GPO's traditional operations have changed, too. An independent management review by Booz-Allen & Hamilton, Inc. in 1998 found that GPO "effectively satisfies its priority congressional customers and meets the variable demands and outputs requested by Congress," provides a printing procurement service that customer agencies view as "an example of 'government at its best,'" and successfully meets Government and public expectations for electronic information dissemination. The scope of the transition at GPO over the past ten years has marked the 1990's as perhaps the single most dramatic decade of change in this agency's history.

However, the successes of the past decade have come at a price. There has been an ongoing decline in GPO's sales of publications, due principally to the increasing availability of titles on the Internet. GPO proposed a consolidation of the Government's publications dissemination functions in 1999 for economy purposes, but in the absence of any action on that proposal we have been compelled to begin downsizing actions for our sales program. In another area, decade-long employment reductions combined with demands for new services have forced GPO's employees to do more with less, and many critical areas are now operating understaffed. Increased recruitment, training, and investment will be necessary in the coming years to ensure adequate succession and the continued strength of GPO's workforce.

Finally, while the drive to make more Government publications available electronically has benefited millions, it has also raised new issues with respect to security, authenticity, permanence, and equity that have yet to be resolved. Addressing these will require the effective use of technology, the development of innovative partnerships with both Government and non-governmental organizations, and broad consultation and cooperation with Congress, Federal agencies, and the public. Fortunately, these are strategies that GPO has already begun deploying based on our commitment to keeping America informed. We look forward to continuing to serve Congress, Federal agencies, and the public.

GPO's FY 2002 Appropriations Request

For FY 2002, the Government Printing Office (GPO) is requesting a total of \$126.5 million: \$90.9 million for the Congressional Printing and Binding Appropriation, \$29.6 million for the Salaries and Expenses Appropriation of the Superintendent of Documents, and \$6 million for GPO's revolving fund, to remain available until expended, for the replacement of our airconditioning system.

Our request represents an increase of \$27.3 million, or 27.6 percent, over the amount approved for FY 2001 (net of the .22 percent rescission for all programs covered by the Legislative Branch Appropriations Act for FY 2001). While in excess of the President's targeted 4 percent increase for FY 2002, our requested increase is primarily to ensure that sufficient Congressional Printing and Binding funds are available to cover work charged against that appropriation. The requested increase includes \$9.9 million for Congressional Printing and Binding to fund a prior year (FY 2000) shortfall in that appropriation, and a \$9.5 million adjustment to the FY 2001 base to ensure that sufficient funding is available for FY 2002. The requested increase also includes \$6 million for air conditioning and lighting improvements that were recommended last year in an energy audit of GPO conducted by the General Accounting Office at the request of the Joint Committee on Printing. The balance of the requested increase, or \$1.9 million, is for projected price level and workload increases.

Fiscal Year 2001 Supplemental. Last month, I submitted a supplemental appropriations request for FY 2001. I requested the \$9.9 million for the FY 2000 shortfall and the \$6 million for GPO air conditioning and lighting systems. If these amounts are included in the FY 2001 supplemental, they would no longer be needed as part of the FY 2002 request. As a result, our FY 2002 request would be for \$110.6 million, an increase of 11.5 percent.

Congressional Printing and Binding Appropriation. The Congressional Printing and Binding Appropriation covers the costs of congressional printing such as the *Congressional Record*, bills, reports, hearings, documents, and other products. It is critical to the maintenance and operation of our in-plant capacity, which is structured to serve Congress's information product needs. This appropriation also covers database preparation work on congressional publications disseminated online via *GPO Access*.

Salaries and Expenses Appropriation of the Superintendent of Documents. The Superintendent of Documents Salaries and Expenses Appropriation pays for those documents distribution programs and related functions mandated by law. The majority of the appropriation is for the Federal Depository Library Program (FDLP), under which congressional and other Government publications and information products are disseminated to more than 1,300 academic, public, Federal, law and other libraries nationwide where they are available for the free use of the public. While some of the funding for the FDLP is for salaries and benefits, most is for printing and disseminating publications (including publications in CD-ROM and online formats, which are now the majority of items in the program) to depository libraries. Related statutory functions covered by this appropriation are cataloging and indexing, by-law distribution, and the international exchange distribution of U.S. Government publications. Finally, through the FDLP, this appropriation provides the majority of funding for the operation

of *GPO Access*. GPO's other major documents distribution functions—the sales program and agency distribution services—are funded by revenues earned and receive no appropriated funds.

CONGRESSIONAL PRINTING AND BINDING APPROPRIATION

Our request for \$90.9 million for the Congressional Printing and Binding Appropriation consists of two primary components: funding to cover Congress's estimated printing requirements for FY 2002, and funding to cover a prior year shortfall in this appropriation. The shortfall occurred in FY 2000.

| Category | Estimated Requirement |
|--|-----------------------|
| Estimated FY 2002 Requirements: | |
| Committee hearings | \$21.0 million |
| Congressional Record | \$19.3 million |
| (including the online <i>Record</i> , | |
| the Index, and the bound <i>Record</i>) | |
| Miscellaneous Printing and Binding | \$13.1 million |
| (including letterheads, envelopes, | |
| blank paper, and other products) | |
| Bills, resolutions, amendments | \$ 8.0 million |
| Documents | \$ 4.2 million |
| Committee Reports | \$ 3.9 million |
| Miscellaneous Publications | \$ 3.8 million |
| (including the Congressional | |
| Directory and serial sets) | |
| Business and Committee Calendars | \$ 3.0 million |
| Details to Congress | \$ 2.0 million |
| Committee Prints | \$ 1.7 million |
| Document Envelopes and Franks | \$ 1.0 million |
| Subtotal | \$81.0 million |
| FY 2000 Shortfall | \$ 9.9 million |
| Total | \$90.9 million |

FY 2002 Estimated Requirements. We estimate that Congress's printing requirements for FY 2002 will be comparable to those for FY 2001: \$81 million for FY 2002 compared with \$80.8 million for FY 2001. We project an increase in the cost of congressional printing of about 4 percent due to projected contractual wage increases as well as higher costs for materials and supplies. However, we anticipate that these cost increases, as well as projected workload increases for some product categories (business and committee calendars; bills, resolutions and

amendments; committee reports; documents; and hearings), will be substantially offset by workload decreases in other product categories, including miscellaneous publications (primarily because the printing of the *U.S. Code* will be charged to FY 2001), miscellaneous printing and binding, and committee prints. The net increase for price level changes and workload for FY 2002 will be approximately \$200,000.

In order to fully fund the estimated work for FY 2002, it has been necessary for us to adjust the current year (FY 2001) base by approximately \$9.5 million. This adjustment reflects the difference between the amount appropriated for the current year (\$71.3 million) and the amount of work we anticipate that Congress will actually require (\$80.8 million). While a shortfall in the Congressional Printing and Binding Appropriation for FY 2001 is projected to occur, we are not requesting funding to cover it in this appropriation request. We will make that request in the appropriation for FY 2003, because we will not know the exact amount of the shortfall until after FY 2001 closes out.

FY 2000 Shortfall. GPO's Congressional Printing and Binding Appropriation covers the costs of the information products and services required by Congress itself. GPO can charge against this appropriation only when Congress orders work from us. We charge what it costs us to perform the work. The amount of the Congressional Printing and Binding Appropriation is based on GPO's best estimates of how much work Congress is likely to order, according to prior experience and anticipated changes in costs and projected workload.

While GPO makes every effort to develop accurate estimates for the appropriation, sometimes the amount of work Congress orders varies from the estimate. The attached chart [p. 13] compares actual workload to appropriated amounts for the past 5 fiscal years. Variances between actual and appropriated funding occur for a variety of reasons: sometimes Congress operates on a reduced legislative schedule as the result of unanticipated circumstances, or sometimes there is an unforeseen increase in legislative printing requirements, as during the impeachment proceedings in early FY 1999.

Variances mean that GPO may end up providing more or less work and charging more or less against the appropriation than was provided, resulting in either a shortfall or unused funds. In cases where more work is ordered than is funded, legislative language under the Congressional Printing and Binding Appropriation authorizes us to charge our current year appropriation for prior year obligations. Thus, we have been charging the overflow of congressional work ordered in FY 2000—for which FY 2000 funds have run out—against FY 2001 funds. This appropriations language was recommended by the General Accounting Office to provide for the uninterrupted flow of work by GPO for Congress. However, if this shortfall situation were allowed to continue, we would eventually exhaust our current year appropriation in order to pay for prior year work. To prevent this, we seek a restoration of the funds equal to the shortfall through subsequent appropriations. In cases where Congress orders less work than we estimated, the funds lapse to the Treasury after remaining available for work charged to the specific year for which they were appropriated, for a period of five years.

Congress addressed the shortfall problem in part last year. In the Legislative Branch Appropriations Act for FY 2001, we were authorized to transfer available unused funds from up

to five prior years to the current year to help offset any shortfall in our appropriations, with the approval of the Appropriations Committees. We applied for this approval in January 2001 but have not received a final answer. If the transfer is approved, we will be able to use excess funds from prior years to eliminate a substantial part of the shortfalls that have accumulated since FY 1996. However, the transfer will still leave \$9.9 million in the shortfall for FY 2000 uncovered. As a result, we are seeking a restoration of that amount.

SALARIES AND EXPENSES APPROPRIATION

The programs covered by our request of \$29.6 million for the Salaries and Expenses Appropriation of the Superintendent of Documents are as follows:

| Program | Estimated Requirements |
|--|--|
| Federal Depository Library Program Cataloging and Indexing Program International Exchange Program By-Law Distribution Program | \$24.2 million \$ 4.3 million \$.7 million \$.4 million |
| Total | \$29.6 million |

Mandatory pay increases and price level changes represent \$835,000 of the total requested increase. Mandatory pay increases account for \$439,000 of this amount. We are requesting \$396,000 to cover price level changes at the anticipated rate of inflation of approximately 2 percent.

An increase of \$644,000 over the current year base is requested for workload changes. We are requesting 8 additional staff under this appropriation: 6 in the Cataloging and Indexing program to provide necessary additional support in discovering and cataloging online Government information as well as modernizing the cataloging system, and 2 to work with the FDLP's Electronic Collection. We also need increased funds for equipment and services to enhance our data archiving capabilities and refresh essential legislative and regulatory online files. These new costs will be substantially offset by projected decreases in funding for depository and international exchange printing due to the continuing migration of formats to electronic dissemination, and by associated reductions in contractual mail transportation (currently performed through UPS Ground).

We are also requesting an increase of \$267,000 in depreciation due to an increase in asset acquisitions, primarily automated information systems in support of the FDLP.

Transition to More Electronic Dissemination. The transition to a more electronic FDLP is continuing, as projected in the *Study to Identify Measures Necessary for a Successful Transition to a More Electronic Federal Depository Library Program* (June 1996) (as required by Congress in the Legislative Appropriations Act for FY 1996). Throughout FY 2000, staff of GPO's

Library Programs Service (LPS), which manages the FDLP, searched the Web for online versions of Government publications for inclusion in the FDLP Electronic Collection. As a result, 53 percent of the 61,155 new FDLP titles made available during FY 2000 were disseminated electronically. In January 2000, GPO began its own electronic archive to assure permanent public access to those agency products disseminated solely online from agency Web sites. To date in FY 2001, 62 percent of the new titles available to the public through the FDLP have been online. Through its electronic information dissemination component, the FDLP now delivers more content to users than ever before.

Last year, the conferees on H.R. 4516, the Legislative Branch Appropriations Act for FY 2001, directed that "emphasis should be on streamlining the distribution of traditional copies of publications which may include providing online access and less expensive electronic formats." GPO responded to that direction immediately. In August 2000, the Superintendent of Documents wrote to the directors of all Federal depository libraries, advising them that online information would be the primary means of dissemination for the FDLP, and that most publications would be disseminated solely online. In October 2000, at the beginning of FY 2001, GPO amended over 100 agency term printing contracts to eliminate the requirement for paper copies for FDLP distribution. In January 2001, the Superintendent of Documents issued policy guidance (produced with library community input) to assist GPO staff in determining which products should be disseminated solely online.

GAO Study. The conferees on H.R. 4516 also directed the General Accounting Office (GAO) to conduct a "comprehensive study on the impact of providing documents to the public solely in electronic format," and to evaluate the feasibility of transferring the FDLP to the Library of Congress (LC). The study was published recently by the GAO as *Information Dissemination: Electronic Dissemination of Government Publications* (GAO-01-428). I provided comments on the draft report and transmitted copies of those comments to the Chairman and Members of this Subcommittee as well as other Members of the House and Senate.

As I stated in my comments, the day is coming when Federal Government information may be made available to the public solely in electronic format, but that day is not here yet nor is it likely to appear in the foreseeable future. Apart from the fact that large amounts of Federal information are not digitized, significant issues concerning security, permanence, authentication, equity, and cost remain to be resolved before the American people can put their faith in an electronic dissemination system that will serve as one of the foundations of their social contract with the Government. Unfortunately, the draft report's attention to these and related issues is simply too cursory to resolve them.

As I also stated, LC is a unique national institution of singular importance to Congress and the public. As a sister legislative branch agency, GPO has a longstanding relationship with LC that we value very highly; LC is a selective depository library and by-law distribution recipient, and we work together on many issues of importance in the field of Government information dissemination. With all due respect, however, LC is not an appropriate home for the FDLP. Its mission and operations are inconsistent with a large-scale publications/information dissemination program. Transferring the FDLP there will increase costs, impose additional burdens on LC, and not result in any improvement in the public's ability to access Government information.

REVOLVING FUND

FY 2000 Financial Performance. GPO completed FY 2000 with an under-recovery of \$115,000 on \$807.5 million in total revenues, compared with an under-recovery of \$5 million on \$765 million for FY 1999. The under-recovery was financed by retained earnings and did not place GPO in an anti-deficiency position or require additional appropriations. During the year, an audit of GPO's financial reports and systems for FY 2000 was conducted by KPMG LLP, under contract with GAO. The audit resulted in a clean opinion for GPO.

Sales Program. The primary cause of the under-recovery was in our sales program, which is funded entirely by revenues earned on sales of publications. The free availability of publications on *GPO Access* and other Government web sites has contributed to reduced sales of printed products, although other factors, including reduced agency publishing and competition from other sales organizations, both public and private, have also contributed to reduced sales. The losses have been temporarily financed through our revolving fund and we are taking actions to address them. We have made price adjustments and have reduced costs where possible through staff attrition and related measures.

We have also developed a plan that includes closing several of GPO's retail bookstores nationwide. Most of these stores were established in the 1970's. Closing these stores will reduce costs, and we project we will be able to retain most store revenues through our online, fax, phone, and mail order operations. At the same time, localized access to Government information will be preserved through Federal depository libraries as well as free Internet availability.

We have taken steps to initiate closings of three stores: our McPherson Square store in Washington, DC (one of three in the metropolitan area) and our stores in Boston and San Francisco (both of whose leases are about to expire and which are experiencing staff declines). We have notified the respective House and Senate delegations for these stores about our plans, and we are prepared to seek final approval for the closures from the Joint Committee on Printing (JCP), which must approve all GPO facility-related changes under the terms of a 1982 JCP resolution. Additional store closings are currently under consideration.

Beyond these efforts, we may be compelled to take additional measures to reduce the sales program. An additional management tool is available to GPO through early-out retirement/separation incentive authority provided to us for three years by the Legislative Branch Appropriations Act for FY 1999. That authority is set to expire September 30, 2001, and we request an extension for an additional three years because significant employee downsizing action in the sales program may become necessary. GPO cannot effect any reduction-in-force without the prior approval of the JCP, pursuant its 1982 resolution.

Air Conditioning System. Our appropriations submission includes a request for \$6 million for the revolving fund, to be available until expended, to cover the cost of necessary improvements to GPO's air conditioning and lighting systems.

Our air conditioning system is in critical need of replacement. An energy audit of GPO, concluded in July 2000 by the GAO at the request of the JCP, found that

GPO is in urgent need of upgrading its air conditioning system, which consists of chillers that (1) have outlived their useful lives, (2) use and are leaking coolants that contain chlorofluorocarbons that are harmful to the environment and which can no longer be legally manufactured, (3) are energy inefficient, and (4) *are at high risk of failure*. (Letter from Bernard L. Ungar, Director, Government Business Operations Issues, GAO, to Chairman William M. Thomas, Joint Committee on Printing, July 24, 2000.) (emphasis added)

An independent contractor recommended by GAO, Aspen Systems Corporation, estimated the cost of a new system best suited to our needs to be approximately \$4.4 million. GAO said we could save over \$400,000 annually with the new, more energy efficient chillers. We are awaiting final approval for a new air conditioning system from the JCP, under the provisions of a 1987 JCP resolution requiring GPO to obtain prior approval for all capital improvements valued at more than \$50,000. On the recommendation of GAO, we also plan to install more energy-efficient lighting throughout GPO, at an estimated cost of approximately \$1.6 million. New, more efficient lighting systems would yield annual savings of approximately \$800,000.

We are seeking a direct appropriation to finance both of these projects. Without a direct appropriation, financing this extraordinary capital expense through the revolving fund—either by direct purchase from retained earnings in the fund or by financing it through projected energy savings—will require us to reimburse the fund through rate adjustments. As this expense is not directly related to the provision of printing and information product services, its impact on our rate structure will be detrimental to our ability to carry out our mission to provide cost-effective and economical products and services. The savings from these energy products will help keep down the costs that we must recover through our rates.

We are aware of finance programs that allow Federal agencies to undertake energy saving projects without having to pay for the projects up front. However, these programs are more expensive than direct purchase because agencies must pay a financing fee. GAO itself stated that "the final cost of the new chillers would be higher if a financing program was used instead of purchasing the chillers outright." Accordingly, we believe a direct appropriation is the best way to minimize the impact of this cost on the Government. A direct appropriation would also be consistent with past practice. The installation of our air conditioning system in the early 1970's was funded by direct appropriations to the revolving fund. As you will recall, the Senate included funding for this system in its recommendation for GPO for FY 2000.

FTE Level. We are requesting a statutory ceiling on employment of 3,260 FTE's. This is a decrease of 25 from the previous year, and reflects a reduction of 33 FTE's in the sales program with an increase of the 8 FTE's requested for the Superintendent of Documents Salaries and Expenses programs. As the attached chart [p. 14] shows, total GPO FTE's dropped 37 percent between FY 1990 and FY 2000, 35 percent in past eight years alone. GPO is now at its lowest employment point in the past century, principally due to our use of electronic information technology.

ADDITIONAL ISSUES

Legislative Changes. In addition to an extension of the early-out retirement/separation incentive authority, we are requesting a change to section 303 of Title 44, regarding the pay of the Public Printer and the Deputy Public Printer, in order to maintain pay parity with other comparable legislative branch officials as well as appropriate comparability with senior congressional staff. We have provided information on this matter to our legislative oversight committees and to this Subcommittee as well as its Senate counterpart.

We are requesting a three-year extension of GPO's retirement/separation incentive authority that was provided in the Legislative Branch Appropriations Act for FY 1999 (P.L. 105-275). That authority, which includes early-out retirement and voluntary separation incentive (or buy-out) authorities, was provided for three years and is scheduled to expire at the end of this fiscal year.

To date, 71 GPO employees have taken early-out retirements under this provision, resulting in an estimated \$3.6 million in savings. While we have not offered buy-outs because circumstances have not warranted it, GPO may need to use such authority in the future in view of the ongoing inability of our documents sales program to recover its expenses, which are primarily personnel costs. To provide us with that management tool and permit us to continue achieving savings through early retirements, we are requesting an extension for another three years. We are requesting that the current expiration dates be amended, and propose the following language:

Sec. ____. Extension of Early Retirement and Voluntary Separation Incentive Payment Authorities.

- (a) Early Retirement.—Section 309(b)(A) of the Legislative Branch Appropriations Act, 1999 (44 U.S.C. 305 note), is amended by striking out "October 1, 2001" and inserting in lieu thereof "October 1, 2004".
- (b) Voluntary Separation Incentive Payments.—Section 309(c)(2) of the Legislative Branch Appropriations Act, 1999 (44 U.S.C. 305 note), is amended by striking out "September 30, 2001" and inserting in lieu thereof "October 1, 2004".

Regarding pay levels, under 44 U.S.C. 303, the Public Printer's salary is set at Level III of the Executive Schedule (\$133,700); the Deputy Public Printer's pay is set at Level IV (\$125,700). I believe these levels should be increased in order to restore parity with the pay of other legislative branch agency heads and deputies. Having begun Government service some 40 years ago and having served as Public Printer for the past eight years, I seek this change not for myself but for the office of Public Printer.

Historically, most of the heads of the legislative branch agencies—the Public Printer, the Librarian of Congress, the Director of the Congressional Budget Office, and the Architect of the Capitol—have had pay parity. However, the Legislative Branch Appropriations Act for FY 2000 (P.L. 106-57) increased the pay for the Librarian of Congress from Level III of the Executive Schedule to Level II (\$145,100). The pay levels of the Deputy Librarian and the Director of CRS were increased from Level IV to Level III. Subsequently, the Omnibus Appropriations Act for FY 2000 (P.L. 106-113) increased the pay of the Director of the Congressional Budget Office

(CBO) from Level III to a "rate of pay equal to the lower of the highest rate of compensation of any officer in the House or Senate" (\$143,600). The same act raised the rate of pay for the Deputy Director of CBO to the rate of pay of the Director less \$1000.

In my view, maintaining pay parity among legislative branch agency heads is justified by their leadership of congressional support agencies of great value to the daily operations of Congress. Accordingly, we are proposing the following language:

Section 303 of title 44, U.S.C., is amended to read as follows:

"The annual rate of pay for the Public Printer shall be a rate which is equal to the rate for level II of the Executive Schedule of subchapter II of chapter 53 of Title 5. The annual rate of pay for the Deputy Public Printer shall be a rate which is equal to the rate for level III of such Executive Schedule."

Alternatively, Congress may wish to consider increasing the Public Printer and Deputy Public Printer pay levels to achieve parity with the pay for the Director and Deputy Director of CBO.

Audit Recommendations Status Report. Consistent with the requirement contained in House Report 105-734, accompanying H.R. 4112, the Legislative Branch Appropriations Act for Fiscal Year 1999, we have submitted the third and final annual report on the status of actions to implement the recommendations contained in the management audit of GPO, conducted in 1998 by Booz-Allen & Hamilton, Inc.

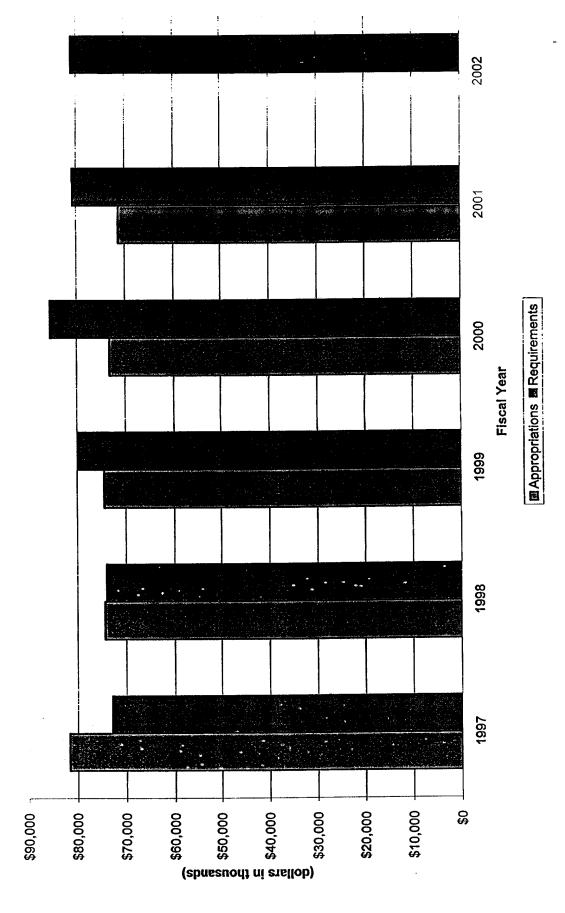
The latest report shows that GPO either plans to act, is currently acting, or has acted affirmatively on 77 percent of the recommendations contained in the Booz-Allen & Hamilton final audit report. These include recommendations on planning, program modernization, ensuring financial stability, promoting intra-agency communications, and improving information technology capabilities.

* * *

Mr. Chairman and Members of the Subcommittee, this concludes my prepared statement, and I would be pleased to answer any questions you may have.



Congressional Printing Appropriations and Requirements



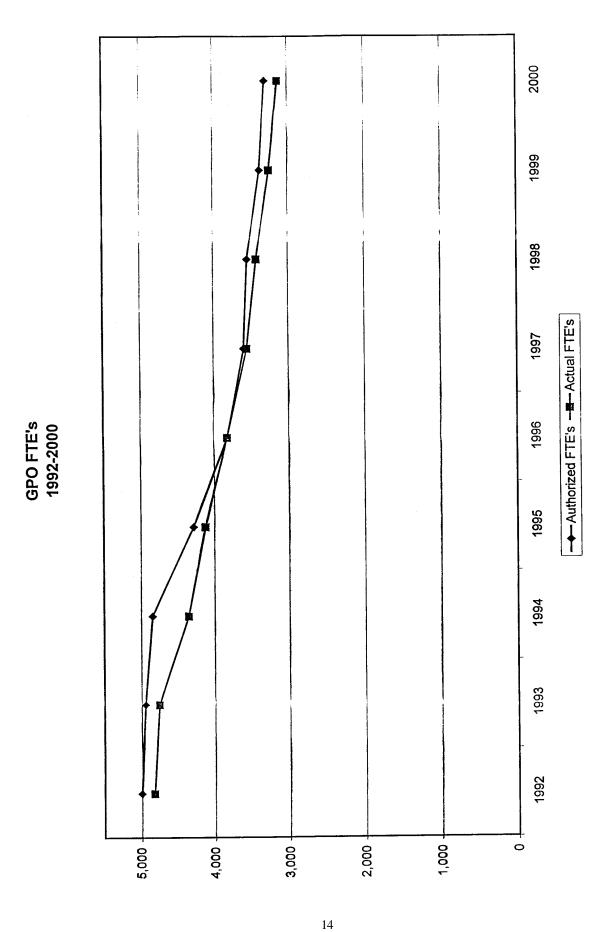




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Administrative Notes is published in Washington, DC by the Superintendent of Documents, Library Programs Service, Government Printing Office, for the staffs of U.S. Federal Depository Libraries. It is published on the 15th day of each month; some months have additional issues. Postmaster send address changes to:

The Editor, Administrative Notes

U.S. Government Printing Office Library Programs Service, SLLD

Washington, DC 20401

Internet access at: http://www.access.gpo.gov/su_docs/fdlp/pubs/adnotes/index.html

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