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STATEMENT OF HARRY S. HAVENS
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BEFORE THE

SENATE COMMITTEE ON GOVERNMENTAL AFFAIRS

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[S.1304, THE LEGISLATIVE OVERSIGHT ACT OF 1979]

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Mr. Chairman and Members of
the Committee:

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We are pleased to be here today to discuss S.1304, the proposed Legislative Oversight Act of 1979. This bill would require (1) that committees include statements of specific objectives and planned annual accomplishments in proposed legislation and the accompanying reports; (2) that agencies annually report their progress in meeting the specific objectives and annual accomplishment plans; (3) that GAO develop a catalog of interrelated Federal activities; and (4) that the President's budget describe the relationship between his budget recommendations and the reported program accomplishments. The bill also would set a 5-year time limit on legislation authorizing the enactment of new budget authority or providing new or increased tax expenditures.

The General Accounting Office strongly supports efforts to strengthen congressional oversight. This position was expressed

Testimony
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Proposed legislation
Oversight authority
Federal programs
by Congress

recently by the Comptroller General, in his July 12, 1979, testimony before this committee. At that time, he also outlined six elements which to varying degrees are critical to the success of these efforts.

These are:

1. Statements of objectives and evaluative requirements
2. A workable review process
3. Comprehensive coverage of the review process
4. A review schedule with flexibility
5. Expanded coverage of the reauthorization process
6. A program inventory that would be an integral part of the process

He also stressed the importance of a simple and workable approach to oversight reform.

S.1304 presents an approach to oversight reform that addresses many of our critical elements. The underlying simplicity of the bill is attractive and we urge the Committee to consider it in drafting an oversight reform bill. However, we are concerned about the workability of some parts of S.1304 in its present form. We also question whether the bill, if enacted by itself, would achieve some important oversight reform objectives, such as:

- Assuring that Congress has an opportunity to periodically reconsider all Federal programs;
- Establishing a workable review process and a review schedule with flexibility.

Statements of Objectives, Planned
Annual Accomplishments and Reporting
Requirements

We are pleased that S.1304 contains requirements for committees to include statements of objectives in proposed authorizing legislation and for agencies to report their progress in meeting such objectives. We support the intent of this provision, that is, to assure that Congress explicitly states program objectives and identifies specified information that will assist it in overseeing and making future decisions about programs. We believe any oversight reform bill should contain provisions of this nature. However, the language used in S.1304 seem unduly rigid, we suggest that it be made more flexible.

Specifying objectives and developing accomplishment plans is quite a complex task. It must be undertaken with great care, particularly if such objectives and planned annual accomplishments are to be written into statutes. Especially when a new program is being established or major changes are being made in an existing program, there is a risk of specifying objectives and accomplishments whose implications are not adequately known at the time they are drafted. If too rigid, they could tie the hands of program managers and make it difficult to adjust the program in light of experience.

I believe it would often be more productive for committees to specify in legislation, or accompanying reports, the kinds of oversight information they expect to need and the processes by which such information will be developed and reported back to the Congress.

Therefore, the oversight reform legislation should encourage Congress to state objectives and expectations for programs when it is feasible to do so, but also to include requirements to establish systematic monitoring and evaluation of the programs by the administering departments or agencies. Such requirements would help assure that necessary information is collected by the agencies and reported back to the Congress for use in overseeing and making future decisions about the program. Such a process will permit committees to follow up with the agencies and, as experience is gained, to translate the statements of objectives into specific criteria and the measures needed to judge actual program performance. One way such a process might operate is outlined in our report Finding Out How Programs are Working: Suggestions for Congressional Oversight, copies of which we would be happy to furnish to the Committee.

Nature of the review process

Some of our concerns with S.1304 stem from the fact that S.1304 would not establish a review process. Instead, it specifies the requirements for the information needed for oversight that must be included in authorization bills and accompanying reports and in agency reports. This approach leaves to the committees and the agencies the full responsibility for designing the reviews and analyses and information systems needed to support the oversight reporting. Other bills do specifically require reviews and include review steps and procedures; with S.1304 these could only be implied by the nature of the reporting requirements.

Simultaneous review of related programs is another objective of oversight reform. The reauthorization schedules contained in other bills are designed to meet this and other objectives. S.1304 does not contain a review or reauthorization schedule. Under S.1304, programs would be reconsidered when their legislation expires or is amended, but there is no assurance that these events would occur simultaneously for related programs. Subsections 201(a)(2) and 201(a)(4) of S.1304 would require committees to report on related programs and provisions⁴ of law when they report proposed legislation for a program. These are important elements of an effective review process and we support their inclusion. I should point out, however, that the terms "program" and "interrelationship" are not defined in the bill. They are very difficult, complex concepts to deal with in general terms and they could be dealt with during implementation, primarily through the development of the program inventory and catalog of interrelated programs. In general, we believe that an oversight reform bill should also include some provision under which Congress would consider and, to the extent possible, act on related programs' at the same time.

Expanded coverage of reauthorization process

S.1304 would place a 5-year limit on the time period for authorizations of new budget authority or new or increased tax expenditures. It specifically exempts payments of interest and principal on debts and payments to individuals from certain trust funds. This approach is designed to gradually expand the coverage of the

reauthorization process. However, the bill's limits on the duration of authorizations would apply to an existing, permanently authorized program only when--and if--that program is amended. Even if the program were amended, it is unclear whether, and the extent to which S1304's several provisions would apply. These provisions could be clarified to reduce the ambiguity. Even if that were done, however, this approach could present incentives for committees not to report bills that would amend the legislation authorizing permanent programs.

Catalog of Interrelated Activities

We have suggested previously that an inventory of Federal programs would provide Congress with a systematic, comprehensive, and authoritative means to identify the specific entities subject to the review, reauthorization and other requirements of the oversight reform legislation. Title II of S.2 requires that such an inventory be prepared and maintained.

While S.1304 does not provide for the development of a program inventory, it does require that we develop and maintain a catalog of interrelated Federal activities. We believe that it would be necessary to have a reasonably complete inventory before we could prepare such a catalog. We believe it would be helpful for the bill to recognize this, and also to specify what cooperation and assistance the executive agencies will be required to furnish us in compiling the inventory and catalog.

We anticipate substantial difficulty in obtaining information required by S.1304 about State and local government programs having objectives similar to Federal programs. There are few incentives for State and local governments to supply this data and gathering it ourselves, using GAO staff, would be extraordinarily expensive if we attempted to do a complete job. We also doubt that reliable unit cost data would be readily available on State and local programs.

Finally, we are concerned that providing reliable data comparing Federal program costs and accomplishments among related programs could prove both difficult and expensive. Indeed, depending on the level of detail and sophistication expected in the data, it might well prove to be beyond present evaluative capabilities. We recognize the potential usefulness of such comparative data, but suggest that it be viewed as a desirable long-term goal, rather than a specific task which is likely to be accomplished in the short-run.

Balancing simplicity and flexibility
with comprehensiveness and discipline

S.1304 takes a simple and flexible approach to strengthening congressional oversight, with a primary focus on oversight information and reporting requirements. S.2 takes a comprehensive and disciplined approach, with a primary focus on reauthorization and review procedures.

We have expressed support for the general intent of both S.1304 and S.2 to strengthen Congressional oversight. We have expressed

concerns about the workability of features of both bills and we have questioned the sufficiency of S.1304, if enacted by itself, to accomplish all the critical oversight reform objectives. We do not believe any of these problems are insurmountable. We suggest that you consider combining the best of both bills so that, in combination, the result would be an oversight reform bill covering the six critical elements set forth in the Comptroller General's July 12 testimony. We would be happy to work with you in such an effort.

This concludes my prepared statement. My colleagues and I would be pleased to answer any questions.