



**U.S. GOVERNMENT
PRINTING OFFICE**

KEEPING AMERICA INFORMED

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**Prepared Statement
Before the Subcommittee on
Legislative Appropriations
Committee on Appropriations,
U.S. House of Representatives**

on the

**Appropriations Request
of the U.S. Government
Printing Office**

FOR FISCAL YEAR 2004

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Mr. Chairman and Members of the Subcommittee,

It is a great honor to be here today to present the appropriations request of the U.S. Government Printing Office (GPO) for fiscal year (FY) 2004. It is also a great privilege. There are few posts in the Government and few Federal agencies that have stood the test of time as well as that of the Public Printer and the GPO. I intend to do my best to uphold the tradition of the office while providing the leadership required to guide the GPO into a new era, to ensure that it remains as relevant and necessary to the information needs of Congress, Federal agencies, and the public in the 21st century as it was for the first 140 years of its existence. With just over five months on the job, I have begun to carry out that promise.

GPO's Mission. The GPO has a proud history, one built on innovation, craftsmanship, scale, flexibility, and a singular dedication to meeting the printing needs of the Federal Government and the information needs of the American people. It is one of the Nation's oldest and most venerable agencies, within which the official version of every great American state paper since President Lincoln's time has been produced.

Today we are responsible for the production and distribution of information products and services for all three branches of the Federal Government. Many of the Nation's most important information products, such as the *Congressional Record* and all other legislative information supporting the U.S. Senate and House of Representatives, are produced at the GPO's main plant, a 1.5 million square foot complex that is the largest information processing, printing, and distribution facility in the world. Working in partnership with the American printing industry, the GPO also maintains a pool of private sector vendors nationwide to produce print and other information products for the Federal Government, ranging from Supreme Court decisions to IRS tax forms to crop reports for the Department of Agriculture.

The GPO's middle name—a name we are going to change—tends to obscure our real purpose, which is to *keep America informed* by distributing the official information products of the Government, thereby sustaining one of the keystones of our 200-year old experiment in freedom: an enlightened public. This is a mission that traces its origins to our Founding Fathers. During the Constitutional Convention, James Wilson of Pennsylvania said, "The people have a right to know what their agents are doing or have done, and it should not be in the option of the legislature to conceal their proceedings," creating the grounds for the constitutional requirement in Article I, section 5, that "Each House shall keep a Journal of its Proceedings, and from time to time publish the same..." Later, it was James Madison who eloquently said:

A popular Government without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy; or perhaps both. Knowledge will forever govern ignorance: And a people who mean to be their own Governors, must arm themselves with the power that knowledge gives.

Congress moved early to establish the "means of acquiring" information that Madison spoke of. The GPO's mission today traces its roots to an act of the 13th Congress, which provided for the distribution of congressional and other



Government documents on a regular basis to libraries and other institutions in each state for that Congress and "every future Congress." This farsighted act was the antecedent for the Federal Depository Library Program, a program funded through the GPO's appropriations, which today serves millions of Americans through a network of some 1,200 public, academic, law, and other libraries located in virtually every congressional district across the Nation. Along with that program, the GPO today also provides public access to the wealth of official Federal information through public sales, through various statutory and reimbursable distribution programs, and—most prominently—by posting nearly a quarter of a million Federal titles online on *GPO Access* (www.gpo.gov/gpoaccess), the GPO's award-winning Web site that is used by the public today to retrieve more than 31 million documents free of charge every month.

New Strategic Direction. Just as the GPO's middle name gets in the way of understanding our true mission, the nature of what we do, printing—once the world's only mass communications medium—has been eclipsed by revolutionary changes in electronic information technologies, principally the Internet. Where once printing predominated as the means of communication between the Government and the public, new and ever-evolving strategies of communications are not only possible but have become mainstream practices, changing how America is kept informed.

While printing will not disappear in our lifetime, its role in our lives—and in the lives of the GPO's customers—already has been forever changed. We are now in a period where we need to sort out what continues to belong in print and what best belongs in information retrieval systems that allow the public to define their own information needs, then search against databases of information that we construct to retrieve only what they need, only when they need it.

Therein lies the challenge for the GPO. Like every other manufacturing business in America, the GPO must reinvent itself if it is to remain relevant and viable for the future. We must take a new look at the changing and emerging information needs of our customers and develop a deeper understanding of our true strengths so that we can plan for and build a new business model that will allow us to meet the information demands of our customers in the 21st century. Then we must convince Congress and our customers to support our plan. As Public Printer, I am leading this effort.

To develop a plan that works, our first step is to determine the facts regarding the GPO's strengths and weaknesses and the problems and opportunities facing us. We are already engaged in that process through participation in a wide-ranging General Accounting Office study of Federal printing and information policy, originally ordered by the Senate. In a related effort, the GAO is also conducting a general management review of our operations. When these studies are concluded later this year we will have a factual basis on which to build a strategic plan.

The plan will present a new vision of the GPO, establish specific and measurable short- and long-term goals and objectives, and contain budget and timetable details. Our next task will be to gain support for the plan from Congress, the Administration and our customers, from the library and information communities, from the printing industry and the labor unions, and from all those who have a



stake in the future of the goals of Federal information policy first articulated by the Founders. Then we must carry out the plan, to transform the GPO into an first-class agency equipped and staffed to meet the information demands of the 21st century: an agency whose mission will be to capture digitally, organize, maintain, authenticate, distribute, and provide permanent public access to Federal Government information.

Transformation Process Begun. Since I took office in early December 2002, we have begun several initiatives to redirect the GPO's focus and begin transforming our operations:

- Reorganization. We have implemented an organizational model that is relatively new to the Federal Government but widely used in industry, wherein the chief executive officer (Public Printer) focuses on organizational policy and long-range planning and the second in command (Deputy Public Printer) serves as chief operating officer focusing on the day-to-day operations of the business. Working in collaboration with the GPO's senior managers, we have rolled out a new top-level organizational structure that will be more responsive to the needs of our customers and employees and serve in a transition phase over the next two years. A recent Washington Post article detailed our reorganization efforts (copy attached).
- Focus on Employees. Through a series of round-the-clock meetings to cover all three shifts, I've met with most of our employees and their union representatives in our central office, and to date I've visited GPO operations in Laurel, Philadelphia, Denver, and Pueblo. I've asked for their help in retooling the GPO from top to bottom into an organization that will make us all proud. The response has been highly positive: our employees are ready and eager for change, and I continue to be impressed by the superior quality of the personnel who staff the GPO. We've begun recruiting efforts at colleges and universities around the country to begin reversing the decades-long drain on the GPO's talent. We've implemented the first new employee incentive program at the GPO in over a decade to reward creativity, dedication, and initiative. We've expanded our workforce development budget to \$3 million—just 1.5% of our overall budget, but 5 times the amount previously allocated—to ensure that no one is left behind as we transform our operations, and we've altered our workforce development policy to emphasize training that is mission-related, not simply job-related. We're expanding the use of digital communications internally, and we've created a new Employee Communications Office to provide employees with the information they need to do their jobs effectively.
- New Image. We've redesigned the GPO's logo to create a new image that signifies our move away from printing and into the 21st century area of digital information processing and multi-media dissemination.
- Emphasis on Customer Service. A principal goal is to redirect the GPO's operations toward customer service—helping our customers



meet their goals, rather than bending their needs to fit what we provide. I've been meeting with Members of Congress, key congressional staff, Federal agency heads, the heads of Federal operations with congruent missions—such as the Postmaster General, Director of the Bureau of Engraving and Printing, and Director of the Mint—the library and information communities, the printing industry, and others to win support for the GPO and increase our future business opportunities. I am especially interested in exploring ways of helping Congress reinvent legislative information products to help expedite its work.

- Printing Controversy With OMB. At my confirmation hearing before the Senate Rules and Administration Committee, I promised to uphold the laws on Federal printing. One of my earliest meetings was with Office of Management and Budget (OMB) Director Mitch Daniels, where we discussed ways we could reduce the contentiousness between our agencies regarding Federal printing policy, and I have continued to stay in touch with OMB on this matter. As you know, OMB sent the *U.S. Budget* to the GPO for production and the proposed policy change in printing has not been issued (although it has not been withdrawn). I have asked OMB to walk forward with me as we establish the facts about printing and information dissemination and devise a policy that fits the 21st century, and I look forward to working with them on this important task.
- Technology Innovation. I've been meeting with the top management of our suppliers—from printing companies to equipment manufacturers—to explore the opportunities for the GPO to assume a leadership position in technological innovation in the digital information era. As part of our reorganization I've created an Office of Innovation and New Technology to get us moving on technology opportunities. It will establish ongoing relationships with cutting-edge companies, premier educational institutions, and relevant government entities at both the Federal and state levels to gather information on emerging and transformative technologies and present that information to the appropriate GPO managers.
- Depository Libraries of the Future. In meetings with members of the library community at the American Library Association Midwinter Conference in Philadelphia, and at the Regional Conference of the Depository Library Advisory Council conducted last month in Reno, NV, I challenged all to help us in developing a new Federal Depository Library Program model that recognizes that more than 50% of the information coming into the program is now only in electronic form, never reaching ink-on-paper. This is one of the biggest challenges that confronts us today, and its resolution will impact directly the appropriations that are provided annually for this purpose. I am tremendously encouraged by the library community's positive response to this challenge.



- Contingency Planning. Part of our reorganization was the creation of a Contingency Planning effort, reporting to the Chief of Staff, to plan for emergency preparedness, protection of our employees, and continuity-of-government operations in concert with similar planning efforts in Congress, Federal agencies, the District of Columbia, and elsewhere. We have made significant improvements to emergency plans and procedures affecting our employees. We are also working directly with the House and Senate to ensure continuity of operations in the event of an emergency, and we are finalizing operational improvements funded through the FY 2002 emergency supplemental.
- Workforce Restructuring. On April 29, we announced a retirement separation incentive program under authority provided in the Legislative Branch Appropriations Act for 1999, as amended (44 U.S.C. 305, note). The objective of the program is to reduce our existing staffing levels by approximately 300 employees to generate payroll savings. The program was implemented following approval by the Joint Committee on Printing, and it was shaped by negotiations with the GPO's employee representatives. We are requesting funding for the GPO's Revolving Fund to cover the cost of this essential initiative, which will be a major step forward in improving GPO's financial situation and workforce capabilities.

GPO's Appropriations. The transformation of the GPO will be a collaborative process, one that involves all of the GPO's stakeholders, especially Congress. With the transformation we will provide Congress, Federal agencies, and the public an agency equipped and staffed to bring about change in Federal information products and services. In order to make the transition happen, however, the GPO needs funding not only to continue product and service provision, but to begin making the investments we know are needed now to position us for the future. Our appropriations request for FY 2004 is targeted at these two objectives: maintenance of product and service quality, and investment in necessary technology improvements and critical workforce restructuring initiatives. With the proper funding, we will be able to carry out the task of remaking the GPO.

The GPO has three separate appropriation accounts: the Congressional Printing and Binding Appropriation, and the Salaries and Expenses Appropriation of the Superintendent of Documents, and the Revolving Fund.

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

The Salaries and Expenses Appropriation of the Superintendent of Documents is used to pay for costs associated with documents distribution and information dissemination functions required by law. The majority of the appropriation is for the Federal Depository Library Program. 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, this appropriation provides the majority of funding for the operation of *GPO Access*.

The Revolving Fund is structured to provide working capital for the GPO's operations, and to fund routine improvements to equipment and facilities. Non-recurring or extraordinary costs are met by appropriations to the Revolving Fund for specific purposes.

Continuation of Services. For the Congressional Printing and Binding Appropriation, we are requesting an increase of 1.7% over the funding approved for FY 2003 (\$89.6 million). This amount will cover all estimated congressional printing requirements for FY 2004, as detailed in our budget submission.

The GPO is fully prepared to assist the Secretary of the Senate, the Clerk of the House, the leaderships of both Chambers, and Members, committees, and staffs in efforts to improve the utility of congressional information products and services to the legislative process and reduce costs through the elimination of waste and duplication of effort. Rather than solely responding to requests from Congress, I view the GPO's role as one of providing expert advice and assistance to Congress in the area of legislative information products and services, and we will be proactive in exercising this role. We also look forward to participating in the Legislative Branch Chief Administrative Officers Council mandated by the conferees on the Legislative Branch Appropriations Act for FY 2003 (H. Rpt. 108-10).

For the Salaries and Expenses Appropriation of the Superintendent of Documents, we are requesting an increase of 3%, or \$871,000, over the amount approved for FY 2003 (\$29.5 million) to cover mandatory pay and benefits increases as well as price level changes.

The transition to a more electronic Federal Depository Library Program (FDLP) is continuing in fulfillment of direction from Congress that "emphasis should be on streamlining the distribution of traditional copies of publications which may include providing online access and less expensive electronic formats." Nearly 60% of the 34,800 new FDLP titles made available during FY 2002 were disseminated electronically. For FY 2003 to date, nearly 60% of the new titles made 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. However, in order to preserve public access, the distribution of tangible formats—defined as print, CD-ROM, and microfiche formats—continues for those titles for which there are no acceptable online alternatives. For FY 2002, we distributed approximately 5 million copies of 14,000 titles in tangible formats; overall, tangible formats comprise about one-third of all titles made available through the FDLP.

Investment in GPO's Future. To begin essential investment in the GPO's future, we are requesting additional funds above the levels required for continuation of services. These funds, amounting to slightly less than 2% of GPO's total annual budget, represent a new point of departure for the GPO.



An additional \$4.1 million is requested for the Salaries and Expenses Appropriation to replace obsolete technology used by the *GPO Access* system by upgrading its search and retrieval system, now nearly a decade old. These funds will also cover depreciation costs for GPO's new Integrated Library System and for our *GPO Access* mirror site operations, which are essential both to load-balancing for this heavily-used system as well as continuity-of-government operations. These are information technology investments that will yield proven results as two-thirds of all new titles today are electronic and significant growth in this area will continue.

Also essential to the GPO's future is \$10 million we are requesting to be appropriated to the Revolving Fund to cover the costs associated with the retirement separation incentive program we implemented last month. This is an investment that will enable the GPO to manage the size, composition, and skills of our workforce as required by our rapidly changing technology. The efficiency of our operations will depend largely on our ability to increase the productivity of our workforce by developing needed skills, replacing aging systems, reengineering work processes, and achieving the right staffing levels.

Legislative Changes. Along with our appropriations request, we are seeking two technical legislative changes to Title 44, U.S.C., to improve our ability to attract and retain leadership talent and give us the authority to accept contributions of equipment and services as well as transfer or donate surplus equipment to appropriate entities. Both changes would significantly assist my vision of transforming the GPO.

- We have submitted placeholder language requesting a revision to 44 U.S.C. 303 to increase the statutory pay levels of the Public Printer and Deputy Public Printer. The current levels have been in place for more than a decade and are causing pay compression for GPO's senior level service. The maximum salary available to GPO's senior level service is capped at Executive Level IV, \$134,000. By contrast, 60% of the Senior Executive Service in the executive branch is paid at the current cap, \$142,500 (the same as Executive Level III), according to a recent new report from the National Academy of Public Administration. Without the ability to compete on a level playing field with executive pay for the rest of the Federal Government, much less with executive pay in the private sector, we will be unable to recruit and retain the talent we need to bring change to the GPO.

The most appropriate model for this legislative change exists in the pay system for the Director and Deputy Director of the Congressional Budget Office (CBO), adopted by Congress in the Legislative Branch Appropriations Act for FY 1999. The Director is paid at "the lower of the highest rate of compensation of any officer in the Senate or any officer in the House of Representatives." The Deputy is paid \$1,000 less than the Director. This model would satisfy our objective of alleviating pay compression without raising the Public Printer's pay to the level of the pay Members of Congress receive.

- We are also requesting authority to accept contributions including property, equipment, and services on behalf of the GPO. This authority



will allow us to accept the placement of prototype equipment for beta-testing and systems trials without requiring a significant Government investment, operate intern programs associated with academic printing, technology, and management programs, and accept funds for the development of programs designed to increase the public visibility of the GPO's operations, such as the creation of a GPO printing museum.

In accordance with limitations established by the General Accounting Office, contributions would be authorized only for the GPO, not for the personal use of GPO employees or officials. The GPO would establish a board to review all contributions and reject any that are not allowable by law or are in conflict with GPO's business purposes. This authority would not be used to augment annual appropriations to the GPO for Congressional Printing and Binding and the Salaries and Expenses of the Superintendent of Documents. Finally, to assure appropriate oversight, the GPO would report to the Joint Committee on Printing on the nature and value of any contributions.

- Finally, we are requesting the authority to transfer or donate surplus property to domestic entities specified by law, including other Federal entities, educational or non-profit institutions as defined by the Internal Revenue Code, or state or local governments. The GPO's equipment profile will undergo significant change in the coming period, and the appropriate disposition of surplus property would be facilitated with the authority to transfer or donate surplus property similar to that possessed by the Administrator of the General Services Administration. Currently, when any GPO property is declared surplus it must be sold to the highest competitive bidder. In addition to imposing an administrative burden in the conduct of the sale, this process often results in a price that is extremely low when compared to the actual value of the item when in use. We are proposing language that would provide us with discretionary authority to transfer or donate surplus GPO property. In addition, it would allow us to donate surplus publications rather than destroying them and selling them as scrap paper. This authority would be exercised consistent with the provisions of law regarding donations of equipment by the Chief Administrative Officer of the House of Representatives and would be subject to oversight by the Joint Committee on Printing under such terms as the JCP may establish.

Representation Allowance. We are requesting an increase for the GPO's representation fund. The fund will be important in our effort to promote the concept of changing the GPO. We need to re-connect with our many vendors and customers as we attempt to regain our momentum and re-establish ourselves as the premier agent for the collection, dissemination, and preservation of the Government's information. Its use also will afford the GPO many first hand opportunities to hear the concerns and needs of the people and institutions we serve, especially those that will be essential to our future success. The fund will be subject to established limitations on its use. We will continue to make it available for official councils and groups advising the Public Printer, such as the Depository Library Advisory Council.



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Mr. Chairman and Members of the Subcommittee, I truly believe the GPO's appropriations request for FY 2004 represents a new departure for this agency in preparing for the future. I thank you for your support and encouragement of change at the GPO, and I look forward to working with you and the Appropriations Committees in your review and consideration of our request. This concludes my prepared statement, and I would be pleased to answer any questions you may have.