

Written Testimony of U.S. Sen. Mark R. Warner (D-VA)
Submitted to the U.S. House Committee on Oversight and Government Reform
February 15, 2012

Thank you, Chairman Issa and Ranking Member Cummings, for inviting me today. I welcome the opportunity to share some of my ideas with this Committee and to discuss the opportunities we have in Congress to improve the way government works.

I've got to start by saying – I don't quite know what to make of the title for today's hearing: I don't think our government is obese, but I certainly agree it could use a bit of house cleaning.

For far too long, we have added programs, regulations and policies – layer-after-layer – without ever taking the time to step back and review the structure of government to see if the existing programs and policies make sense. And based on what I've seen in my three years here in Washington, we certainly could clean-out the layers of cobwebs to make room for new higher priorities that respond to 21st century challenges.

Today, I'd like to share with the Committee my ideas for cleaning-up our government programs, regulations and the operations of our government. And I'd like to highlight some of the good ideas that have been proposed by President Obama.

Program Duplication

So let me start with the overlap and duplication of federal programs. I'm sure this Committee reviews the GAO annual reports on duplication. The latest version is due out later this month. This report documents the accumulation of programs that occurs over time. We should not have 82 teacher quality programs across 10 different agencies. And we need to do something about 56 financial literacy programs across 20 agencies.

We've got to re-organize and consolidate similar and duplicative programs so they can be more effective and save taxpayer dollars. There are a couple ways to go about this.

On Monday, the President outlined 14 cross-agency priority goals in his 2013 Budget. These cross-agency goals are a requirement of the Government Performance and Results Act that I co-sponsored at the end of 2010. Previously, there were no cross-cutting government-wide goals and there were thousands of agency level goals – all the business guys like me in the room can agree – if you have too many goals you really have no goals.

The President identified 14 clear, concise goals that can be used to develop cross-agency collaborations for improved results. Let me give you an example. The first goal is to double U.S. exports by the end of 2014. Now, that's one we can all agree is critical for strengthening our economy in the long-run.

The President has assigned a goal leader and identified eight agencies that will work together to deliver results. In addition, there are nearly 50 programs or supporting functions already

identified to support the goal of doubling U.S. exports. The goal will be measured quarterly and those results will appear on a website so we can monitor our progress. This goal-setting and focused follow up is an example of how small management changes can help ensure progress and break down the layers of duplication and fragmentation across the government.

I think the President and the Office of Management and Budget have made a good first step toward improving the outcomes of our government, and breaking down the silos that too often hold us back.

But we need to do more.

The President has also requested that we restore executive re-organization authority with expedited Congressional review, and I urge the Committee to consider this proposal favorably. I've spent most of my career in business, and every CEO has the authority to re-organize and restructure their company to improve results. As Governor, I had the authority to re-organize the state agencies and as the chief executive and I was also held accountable for the results. In fact, every President from 1932 to 1984 had the authority to submit proposals to re-organize the executive branch. We should give the President as our chief executive the authority to do his job and modernize the way the government works to deliver better results and it will be our job to hold him accountable.

I intend to be a sponsor of the President's "Reforming and Consolidating Government Act of 2012" in the Senate. And I've been talking to Senators from both sides of the aisle so this plan will have bipartisan support. If the President is willing to do the hard work of developing a re-organization plan to make our government more efficient and effective, we should at least give him the courtesy of considering his plans in both houses of Congress. We've got to put the politics aside on this one and do what's best for the taxpayers and for our government in the long-run no matter which party controls the White House.

Regulations

Another area where I believe we need more house cleaning is on regulations. And I know this Committee has done a lot of work in this area. I held a hearing on this issue recently, trying to look at how we can make improvements to reduce the regulatory stock and compliance costs while still protecting the important health and safety standards the public expects.

I believe regulations are like programs – we've added layers and layers over the years – but we rarely go back and review what works. We can strike the right balance on regulations, but we need to start with the basics. 20 years ago before the first Government Performance and Results Act, we couldn't tell if our programs were producing results –and the same is true today for regulations. We need regulatory reform to put in place basic metrics and incentives to provide some regulatory house cleaning.

I'm working on a proposal that will require that all agencies – executive and independent – conduct economic impact analysis for all of their proposed rules costing over \$100 million

dollars. This economic impact analysis also will require agencies to set measurable goals for each regulation that can be measured over time to ensure they remain relevant and effective.

It will also include a PAYGO type mechanism that will require agencies to identify offsets that will force them to modify or eliminate rules from the existing stock of regulations whenever they seek to advance new regulatory priorities. I think this PAYGO process will help realign the incentives within the agencies to ensure that the retrospective reviews actually take place, and they clean-up the rules that need to go. The UK has implemented a similar system called “One-in, One-out” that we’ve been monitoring as we’ve worked on my proposal.

One of the biggest problems I’ve seen after reviewing the regulatory process over the past year is that we never look back at existing regulations to see if they work. And we don’t know if the assumptions on costs and benefits made at the front-end actually pan-out. We need a legislative agency like CBO to review the economic impact analysis every five years or so to determine if the regulations are working and report this information to Congress. This independent analysis will provide helpful data for Congress and the Agencies to modify and eliminate outdated laws.

Operations

And the last thing I’d like to mention is that we’ve also got to do some house cleaning in the operations of government. For example, in the GPRA Modernization Act, we asked OMB and the agencies to identify all the existing reports that they provide to Congress and then tell us which ones may be duplicative or outdated.

The President provided a summary of their findings this week in the Budget. Agencies identified more than 9,000 reports that they submit to Congress: that’s right -- 9,000!

OMB will be providing a list soon of about 500 reports that we should consider eliminating or consolidating. This will save 200,000 hours spent to prepare these reports and almost 30,000 pages of reports. I hope this Committee will help us eliminate those unneeded reports.

I also think we need some house cleaning of the real property the government owns. The President’s proposal to dispose of excess or under-utilized federal property is a good idea. I know the House passed the Civilian Property Realignment Act recently, and this proposal presents a good opportunity to clear out unneeded properties and billions of dollars in savings for the taxpayers. I will be supporting this proposal in the Senate and hope it will be enacted soon.

Closing

It’s our responsibility in Congress to clean out the duplication, fragmentation and waste in government. I urge this Committee to consider the suggestions I presented today and those from President Obama. I look forward to working with you all to build a modern government that will support the challenges in the 21st century.

Senator Mark Warner

Mark Warner was elected to the U.S. Senate in November 2008, and serves on the Senate's Banking, Budget, Commerce and Intelligence committees. After 2-1/2 years in Congress, Senator Warner has established himself as a national leader in efforts to find bipartisan, commonsense solutions to reduce the federal deficit.

He is a champion for small businesses, and has worked to improve the performance and accountability of federal agencies while also celebrating stand-out members of the federal workforce.

- In 2011, Senator Warner helped form the Senate's so-called Gang of Six -- three Democrats and three Republicans -- who have spent months working on comprehensive, bipartisan legislation to cut \$4 trillion from the nation's \$14 trillion national debt.
- In 2010, Senator Warner worked on the Banking Committee to achieve bipartisan consensus on modern and effective oversight of banks and other financial firms.
- In 2010, Senator Warner's concerns about health care for our female military veterans prompted the Veterans Administration to significantly improve treatment for women veterans suffering from post traumatic stress disorder. Senator Warner also organized the nation's leading technology companies to produce, at no cost to taxpayers, a comprehensive report on ways to improve the chronic and disgraceful mismanagement problems uncovered at Arlington National Cemetery.
- In 2009, Senator Warner was selected by his colleagues on the Budget Committee to lead a bipartisan task force that has been evaluating the effectiveness of federal agencies, identifying inefficiency and duplication that wastes taxpayer money.

From 2002 to 2006, Senator Warner served as Governor of Virginia during its worst economic recession in 20 years. He worked in a bipartisan way to make state government more effective and affordable, and ultimately turned a record budget deficit into a surplus. He focused on improving public education and expanding economic opportunity, and recruited 135,000 new jobs into Virginia during his four-year term. When Governor Warner left office in 2006, Virginia was recognized as the nation's "best-managed state," the "best state for business" and the state offering the best educational opportunities.

Senator Warner was born in Indiana and raised in Connecticut. He was the first member of his family to graduate from college, earning an undergraduate degree from George Washington University and a law degree from Harvard. He was an early leader in the cellular telephone industry, co-founding the company that eventually became Nextel and making early investments in hundreds of high-tech start-up companies that created thousands of jobs. As a philanthropist, Senator Warner has been a leader in his support of non-profit organizations that provide health care to underserved communities and promote public schools and strengthen access to higher education.

Senator Warner, his wife Lisa, and their three daughters live in Alexandria, Virginia.