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House of Representatives

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Opening Statement

Ranking Member Gerald E. Connolly (VA-11)

Subcommittee on Government Operations

Hearing on "DATA Act Implementation"

July 29, 2015

Thank you, Mr. Chairman. Thank you for holding this hearing.

This hearing represents the kind of oversight this Committee does well when we do it on a bipartisan basis, as I expect we will today.

The DATA Act, if properly implemented, will bring transparency to federal spending that will in turn lead to better decision making.

Under the DATA Act, agencies will be required to report spending at a more granular level and that data will have to be communicated using a common language.

This will enable data to be compared across agencies. Agencies, Congress, and watchdogs inside and outside of the government will be able to connect the dots on how agencies are spending money which will help expose duplication and waste.

The DATA Act holds great potential for saving taxpayers money.

One of the biggest areas of government spending is information technology. According to GAO, the federal government planned to spend at least \$79 billion on IT in fiscal year 2015.

Last year, Congress enacted the Federal IT Acquisition Reform Act (FITARA), which I co-authored with the former chairman of our Committee. I believe our legislation will make the process for investing in information technology more efficient.

GAO, in its 2015 report on duplicative and wasteful spending, said that FITARA, quote, "should improve the transparency and management of IT acquisitions and operations across the government."

I think these two laws, the DATA Act and FITARA, will complement each other and help agencies make smarter investments.

There are a couple of issues related to implementation of the DATA Act that I am particularly interested in hearing our witnesses address today.

One issue relates to the fate of the Recovery Operations Center. The Recovery Operations Center was established as part of the Recovery Accountability and Transparency Board.

The Recovery Operations Center, known as the “ROC”, has received widespread acclaim for its work in using data analytics to identify fraud and wasteful spending.

The DATA Act authorizes the Treasury Department to transfer the assets of the ROC to establish a new data analysis center or to support an existing service provided by Treasury.

I understand that Treasury has hired several staff from the ROC but otherwise has not committed to transferring assets from the ROC.

The authorization for the ROC expires at the end of Fiscal Year 2015.

That’s one of the reasons we are holding this hearing today so that we can ensure this issue is explored before it is too late.

Another issue I am interested in hearing about today is the status of the pilot program to reduce the reporting burden on the recipients of federal grants and contracts.

The DATA Act required OMB to establish a pilot program by May 9, 2015.

The pilot is required to include a combination of grants, contracts, and sub-awards with an aggregate value of between \$1 billion and \$2 billion. It is also required to include a diverse group of recipients.

This pilot is intended to provide information that can be used to streamline the reporting requirements for grantees and contractors.

I understand that OMB and the Department of Health and Human Services have taken initial steps to solicit comments from the grant and procurement communities.

I am hopeful that as the pilot moves forward that specific grantees and contractors will have the opportunity to participate to actually test ways that agencies might reduce duplication or unnecessary burdens in reporting.

The DATA Act holds tremendous potential. I hope each of the witnesses who are here today will share with us any suggestions you have for ensuring that we realize that potential.

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