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ONE HUNDRED THIRTEENTH CONGRESS

# Congress of the United States

## House of Representatives

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### Opening Statement

**Rep. Elijah E. Cummings, Ranking Member**

### Hearing on "Waste in Government: What's Being Done?"

**January 9, 2014**

Thank you, Mr. Chairman, for holding today's hearing on making government more efficient and effective. This is the bread and butter of what our Committee does, and I hope today's hearing will further this important discussion, which we have had regularly in similar hearings over the past few years. I thank all of the witnesses for taking time out of their schedules to be here today and participate in the discussion.

I am delighted that Ranking Member Coburn has joined us at our first hearing this year to help set the tone for rooting out government waste. Senator, I have seen your reports, and I agree with many issues you identified. Since this may be one of our last opportunities to work together before your retirement, I look forward to an effective and rewarding collaboration, and I thank you for your service to our nation.

Mr. Chairman, I appreciate that you agreed to my request to invite Chairman Carper to share his thoughts with us as well. Chairman Carper has been tireless in his efforts to make federal agencies work more effectively and efficiently. Senators Carper and Coburn have been at the forefront of legislation that has resulted in billions of dollars in savings for the federal government. I welcome you both.

Today, we have a unique opportunity. We have in one room the Chairman and Ranking Member of the Senate Homeland Security and Governmental Affairs Committee. We also have the Chairman, Ranking Member, and additional Members of the House Committee on Oversight and Government Reform. These are the two key committees that are responsible for reducing waste, fraud, and abuse in our government.

I propose that we use some of our time today to set a bicameral agenda for the coming year. Although we have relatively little time remaining in this Congress, I propose that we try to identify some of the top reform proposals we might be able to achieve on a bipartisan basis. Let's begin a process today to identify issues on which we have common ground and hopefully save taxpayers billions of dollars going forward.

The Government Accountability Office's annual High Risk List and Duplicative Programs Report give us a critical tool for focusing our oversight efforts. Inspector General

recommendations are another key area we can examine. And then of course we have proposals from groups like those here before us today.

One agency that comes up repeatedly every single year in virtually every single report is the Department of Defense. This makes sense because it is the largest federal agency with the biggest budget.

The Department's financial management as a whole continues to be designated as "high risk" because GAO determined that DOD has not been able to control costs, ensure basic financial accountability, measure performance, prepare auditable financial statements and prevent and detect fraud, waste and abuse. It would be a big step in the right direction if DOD could produce, for the first time, an auditable financial statement.

DOD has also experienced significant problems with management and oversight of \$365 billion obligated for contracts last year alone. The Congressional Research Service reports that DOD acquisition programs have experienced "poor performance against the backdrop of war in Afghanistan, spiraling contract costs, and decline in the size of the defense acquisition workforce."

DOD also leads the federal government with wasteful duplicative IT investments. In testimony before this Committee last year, GAO warned that several DOD IT investments "experienced significant performance problems and were indeed high risk." One specific example GAO highlighted was a contract that the Air Force cancelled in December 2012 after spending \$1 billion on the Expeditionary Combat Support System.

Despite these and other examples of waste, some progress is being made that we should be proud of and build upon. President Obama made it a priority to reduce improper payments when he took office, and improper payments have been reduced from \$125 billion in 2010 to \$106 billion in 2013. Chairman Carper and Ranking Member Coburn have been active with legislation on this topic, and I hope Chairman Issa and I can partner with you going forward.

There is also improvement in financial management within government agencies. For example, the Department of Homeland Security has obtained a clean audit of its financial statement for the first time in that agency's ten-year history. This Committee has been an integral part of improving financial management at DHS, and it is good to see positive results from our continued oversight.

Moving forward, we have to continue this progress by conducting our oversight efforts in a sustained, dedicated, and bipartisan manner. It is not enough for us to convene hearings and hope for the best. We need to work cooperatively and diligently to find tangible solutions to minimize government waste and maximize efficiency. After all, government reform is part of the name of this Committee. I look forward to working with all of you in the coming year.