

March 15, 2023

**Dan Lips, Head of Policy, Lincoln Network**  
**Written Testimony for U.S. House of Representatives, Committee on Appropriations**  
**Subcommittee on Legislative Branch**

**U.S. Government Accountability Office FY2024 Appropriations**

Chairman Amodei, Ranking Member Espaillat, and members of the Subcommittee:

My name is Dan Lips. I am Head of Policy at Lincoln Network. I am writing to respectfully urge the Subcommittee to support the Comptroller General's FY2024 budget request for the Government Accountability Office (GAO). The congressional watchdog agency has reported an average annual return on investment (ROI) of \$145 in financial benefits for each dollar provided to GAO from Congress over the past five years.<sup>1</sup> In FY2022, GAO reported an ROI of \$74 for every dollar.<sup>2</sup>

Recognizing that the federal government faces difficult fiscal and macroeconomic challenges, I urge the Subcommittee to prioritize funding for GAO within the legislative branch's budget, since GAO's work provides substantial taxpayer savings. Moreover, I recommend that the Subcommittee include language in its report accompanying the FY2024 funding bill to direct GAO to take several actions to improve government efficiency and achieve substantial taxpayer savings. In addition, the Subcommittee has an opportunity to strengthen Congress's capacity to oversee federal regulations by leveraging GAO's capacity.

**First, the Subcommittee should include report language requiring GAO to set targeted completion dates for recommendations to encourage federal agencies to implement nonpartisan reform recommendations in a timely manner.** GAO currently has

---

<sup>1</sup> U.S. Government Accountability Office, GAO-23-900398, *Performance and Accountability Report Fiscal Year 2022* (2022), <https://www.gao.gov/assets/gao-23-900398.pdf>.

<sup>2</sup> Ibid.

more than 4,900 open recommendations, including 440 priority recommendations.<sup>3</sup> However, GAO reports that agencies often take years to implement its nonpartisan recommendations, if they ever do. In its FY2022 Performance and Accountability report, GAO reported that its four-year implementation rate for its recommendations was 77 percent, below its target of 80 percent.<sup>4</sup>

Many of GAO's open recommendations have remained open for significantly longer than four years. For example, as of December 2022, 50 of the open recommendations had been made more than a decade ago. My review of nonpublic data from GAO describing the financial benefits achieved since 2002 shows that substantial cost savings have resulted from nonpartisan oversight of federal agencies with many currently open recommendations. For example, GAO's oversight of the Department of Defense has resulted in \$440 billion in savings since 2002, but more than 600 recommendations for the Pentagon were open as of December, including 52 priority recommendations.<sup>5</sup>

Thanks to the Subcommittee's leadership, there is growing bipartisan support for closing open GAO recommendations in a timely manner.<sup>6</sup> The explanatory statement for the FY2023 omnibus bill required GAO to publish a report "estimating the cost savings that could be achieved if agencies acted on GAO's recommendations organized by agency."<sup>7</sup> In 2022, Congress enacted the bipartisan Improving Government for America's Taxpayers Act through the FY2023 National Defense Authorization Act, which will require reporting on the status of

---

<sup>3</sup> U.S. Government Accountability Office, "Recommendations Database," updated March 13, 2023, <https://www.gao.gov/reports-testimonies/recommendations-database>.

<sup>4</sup> U.S. Government Accountability Office, *Performance and Accountability Report Fiscal Year 2022*.

<sup>5</sup> Dan Lips and Robert Bellafiore, "4,800 Ways to Improve Government," *The Hill*, January 3, 2023, <https://thehill.com/opinion/congress-blog/3797054-4800-ways-to-improve-government/>.

<sup>6</sup> U.S. House of Representatives, Report 117–389, *Legislative Branch Appropriations Bill, 2023* (2022), <https://www.congress.gov/117/crpt/hrpt389/CRPT-117hrpt389.pdf>.

<sup>7</sup> U.S. Senate, Committee on Appropriations, *Division F – Legislative Branch Appropriations Act, 2023*, Explanatory Statement (2022), <https://www.appropriations.senate.gov/imo/media/doc/Division%20I%20-%20Leg%20Statement%20FY23.pdf>.

open priority recommendations and estimates of potential cost savings that could be achieved if recommendations were implemented.<sup>8</sup>

But more can be done to help GAO ensure that its recommendations are implemented in a timely manner. In a 2015 analysis reviewing 26 years of GAO reports, Deloitte analysts recommended that GAO set “target completion dates for implementing each recommendation and then making real-time data available to the public showing how long it is taking each agency to implement GAO recommendations.”<sup>9</sup> In its report accompanying the legislative branch funding bill, the Subcommittee should direct the Comptroller General to establish target completion dates for recommendations and to publicly track agencies progress to improve government efficiency and achieve additional taxpayers savings.

**Second, the Subcommittee should direct the Comptroller General to use additional resources to conduct oversight of federal improper payments, which totaled \$247 billion in FY2022, according to GAO.**<sup>10</sup> Federal improper payments have risen during the pandemic.<sup>11</sup> In FY2019, federal agencies made an estimated \$175 billion in improper payments. Over the past three years, improper payments have totaled \$734 billion.<sup>12</sup> In 2023, GAO reported to Congress that the “extent of fraud in COVID-relief programs is not yet known but our estimate suggests that one program, Unemployment Insurance, made over \$60 billion in fraudulent payments.”<sup>13</sup>

Given the federal government’s growing fiscal challenges, Congress and GAO should focus more attention and resources on curbing improper payments. In 2022, Comptroller General

---

<sup>8</sup> James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, H.R.7776, 117th Cong. (2022), <https://www.congress.gov/bill/117th-congress/house-bill/7776/text>.

<sup>9</sup> Daniel Byler, Steve Berman, and William D. Eggers, “Accountability Quantified: What 26 Years of GAO Reports Can Teach Us About Government Management,” Deloitte (February 2015), <https://www2.deloitte.com/us/en/insights/topics/analytics/text-analytics-and-gao-reports.html>.

<sup>10</sup> U.S. Government Accountability Office, GAO-23-106556, *Emergency Relief Funds: Significant Improvements Are Needed to Address Fraud and Improper Payments* (2023), <https://www.gao.gov/products/gao-23-106556>.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

Dodaro recommended 10 actions that Congress should take to prevent improper payments. One of his recommendations was to “[e]stablish a permanent analytics center of excellence to aid the oversight community in identifying improper payments and fraud.” Given GAO’s decades of oversight of federal improper payments and the new analytics capabilities established through its Science, Technology Assessment, and Analytics (STAA) team, the Subcommittee should direct the Comptroller General to use existing resources within GAO’s budget to establish this center to redouble its work to prevent government misspending.

**Third, the Subcommittee should direct the Comptroller General to establish a Regulatory Review mission team within GAO to enhance the legislative branch’s ability to oversee federal regulations and the administrative state.** In 2019, GAO established the STAA team to address gaps in congressional science and technology capacity. Another area where Congress lacks sufficient expertise and capacity is regulatory analysis and oversight. The number of pages in the *Code of Federal Regulations* more than doubled between the 1970s and 2010s.<sup>14</sup> In 2022 alone, agencies issued over 3,000 administrative publications that could be properly thought of as regulatory rules.<sup>15</sup>

Several scholars have recommended that Congress establish a Congressional Regulation Office, modeled after the Congressional Budget Office.<sup>16</sup> A Congressional Regulation Office could conduct cost-benefit analyses of agencies’ proposed significant rules and perform retrospective analysis of existing rules.<sup>17</sup> While establishing a Congressional Regulation Office

---

<sup>14</sup> Phillip Wallach and Kevin R. Kosar, “The Case for a Congressional Regulation Office,” *National Affairs* (Fall 2016), <https://nationalaffairs.com/publications/detail/the-case-for-a-congressional-regulation-office>.

<sup>15</sup> Satya Thallam (Lincoln Network) in discussion with the author, following review of the *Federal Register*, March 2, 2023.

<sup>16</sup> Wallach and Kosar, “The Case for a Congressional Regulation Office”; Susan E. Dudley, “Examining Practical Solutions to Improve the Federal Regulatory Office,” statement for a roundtable discussion, U.S. Senate Subcommittee on Regulatory Affairs and Federal Management, June 4, 2015, <https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/DUDLEY%20Statement.pdf>.

<sup>17</sup> Wallach and Kosar, “The Case for a Congressional Regulation Office.”

within the legislative branch would be a worthwhile step, Congress and the legislative branch subcommittee should also enact incremental reforms. For example, GAO is well positioned to improve congressional regulatory oversight capacity. In 2001, Congress passed a law to establish a pilot program within GAO to provide independent estimates of “economically significant” agency rules.<sup>18</sup> However, the pilot project was never funded, and the authority expired in 2004.<sup>19</sup> As the size of the administrative state and the scope of federal regulations have grown since 2001, Congress should reconsider how GAO can support congressional capacity for oversight of federal regulations. GAO already has existing statutory authorities with respect to regulatory review under the Congressional Review Act.<sup>20</sup> Establishing a regulatory review mission team within GAO would begin to rebuild congressional capacity to oversee the regulatory state.

\* \* \*

Congress faces a challenging fiscal and macroeconomic environment in 2023. The Comptroller General has described the federal government’s fiscal path as unsustainable. The legislative branch funding bill for FY2024 should continue prioritizing resources for GAO to conduct nonpartisan oversight of the executive branch and to achieve additional cost savings for American taxpayers. Report language requiring the Comptroller General to set targeted completion dates for GAO recommendations and to establish a permanent analytics center of excellence to lead the oversight community in identifying and preventing improper payments and fraud could achieve tens, if not hundreds, of billions of dollars in taxpayer savings over time. Moreover, establishing a mission team within GAO to enhance congressional regulatory oversight capacity would help the legislative branch oversee federal regulations and

---

<sup>18</sup> Truth in Regulating Act of 2000, Pub. L. No. 106-312; Comptroller General David M. Walker, Letter to the Honorable Tom Davis, June 7, 2006, <https://www.gao.gov/assets/b-302705.pdf>.

<sup>19</sup> Ibid.

<sup>20</sup> “Congressional Review Act,” U.S. Government Accountability Office, accessed March 13, 2023 <https://www.gao.gov/legal/other-legal-work/congressional-review-act>.

administrative actions to ensure cost-effective regulations. These actions will help Congress address the nation's growing fiscal challenges and leverage nonpartisan oversight to make the federal government work better for the American people.