



**Testimony** 

Before the Subcommittee on Government Operations and the Federal Workforce, Committee on Oversight and Accountability, House of Representatives

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Opportunities to Improve Collaboration and Achieve Billions of Dollars in Financial Benefits

Statement of Gene L. Dodaro, Comptroller General of the United States Chairman Sessions, Ranking Member Mfume, and Members of the Subcommittee:

I am pleased to be here today to discuss opportunities to improve interagency collaboration and help address inefficient or ineffective fragmentation, overlap, and duplication in the federal government. We annually report on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities. As part of this work, we also identify additional opportunities for greater efficiency and effectiveness that would result in cost savings, improved program outcomes, or enhanced revenue collection. Opportunities exist for achieving tens of billions of dollars in financial benefits and improving a wide range of federal programs in areas such as health care, defense, and others throughout government.

In our annual reports issued since 2011, we have presented 140 matters for Congress and 1,878 recommendations for federal agencies. About 73 percent have been fully or partially implemented. Such actions by Congress and the agencies have resulted in about \$667.5 billion in financial benefits. We also estimate tens of billions of additional financial benefits could be attained by fully implementing the remaining open matters and recommendations.

We released our 2024 report last month—the 14th in this series—which includes 112 new matters and recommendations across 42 topic areas for Congress and agencies to further improve government efficiency and effectiveness.<sup>2</sup> My testimony today describes (1) new suggestions identified in our 2024 annual report, (2) the benefits Congress and federal agencies have achieved in addressing many of the matters and recommendations we have previously identified, and (3) examples of open matters and recommendations that could yield significant additional benefits.

My comments today are based on our 2024 annual report. This work was conducted in accordance with generally accepted government auditing standards. More details on our scope and methodology, including the

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 $<sup>^1\</sup>text{Pub. L.}$  No. 111-139, § 21, 124 Stat. 8, 29 (2010), codified at 31 U.S.C. § 712 note.

<sup>&</sup>lt;sup>2</sup>GAO, 2024 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits, GAO-24-106915 (Washington, D.C.: May 15, 2024).

definitions we use for fragmentation, overlap, and duplication for this work, can be found in the full report.

## New Opportunities to Improve Efficiency and Effectiveness across Government

The 112 matters and recommendations we identified are opportunities for Congress or federal agencies to further improve government efficiency and effectiveness across the federal government.<sup>3</sup> In some areas, we have identified fragmentation, overlap, or duplication in government missions and functions. In others, Congress or federal agencies could take action to reduce the cost of government operations or enhance revenue collections. For example:

- The National Oceanic and Atmospheric Administration should collaborate with the Federal Communications Commission and the Federal Emergency Management Agency to clarify and document their responsibilities and decision-making process to better manage fragmented efforts to improve how the public is alerted to tsunami hazards.
- Agencies should better manage fragmentation and enhance their efforts to establish a national wildlife disease surveillance system by more fully following leading practices for collaboration, including clearly defining common outcomes and involving relevant participants.
- Congress could close regulatory gaps while seven federal financial regulators should improve coordination to better manage fragmented efforts to identify and mitigate risks posed by blockchain applications in finance.
- The Office of Science and Technology Policy should facilitate the sharing of information about identifying foreign ownership of research entities to better manage fragmentation of federal efforts to help safeguard federally funded research from foreign threats.
- The Office of the Director of National Intelligence and the Office of Personnel Management should better manage fragmentation and

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In addition to these 112 matters and recommendations, 7 recommendations in 3 new topic areas were closed-implemented before this report was issued. The Environmental Protection Agency (EPA) and Departments of Agriculture and the Interior each addressed one recommendation to their respective agencies; EPA has one remaining open recommendation associated with the Managing Risks from Wildfire Smoke topic area. The Department of State and U.S. Coast Guard each addressed a recommendation associated with the Coast Guard International Port Security Program topic area. The Office of Management and Budget and the Department of Justice each addressed a recommendation associated with the Reporting of Expired Grants topic area. More information on these 119 matters and recommendations is available in the downloadable spreadsheet on GAO's Duplication and Cost Savings website.

- potentially realize cost savings by avoiding duplicative background investigations.
- The Department of Health and Human Services should clearly track and report progress made toward goals for federal autism activities to better manage fragmentation and document procedures the National Institutes of Health uses to help ensure activities across 18 federal departments and agencies are not unnecessarily duplicative.
- The Department of Defense should take action to better manage fragmentation in research projects on using wearable devices to address service member fatigue, potentially saving costs.
- The Department of Homeland Security's National Biosurveillance Integration Center should better manage fragmentation among federal biosurveillance partners by developing clear performance measures with associated time frames in cooperation with federal agency partners.
- The Cybersecurity and Infrastructure Security Agency should conduct a comprehensive assessment of centralized and federated sharing methods to better manage fragmentation and assess the overlap of federal cyber threat sharing efforts.
- The Department of Defense should reduce the risk of overlapping management activities and potentially save ten million dollars or more over 5 years in medical facility management by continuing its efforts to reevaluate its market structure and establishing performance goals.
- Agencies could save one hundred million dollars or more by using
  predictive models to make investment decisions on deferred
  maintenance and repair for federal buildings and structures and could
  save ten million dollars or more over 5 years by setting building
  utilization benchmarks to help identify and reduce underutilized office
  space.

Many meaningful results that the federal government seeks to achieve require the coordinated efforts of more than one agency. As detailed in our report, agencies should apply leading collaboration practices, such as clearly defining common outcomes, ensuring accountability, identifying leadership, clarifying roles and responsibilities, and involving relevant participants.<sup>4</sup>

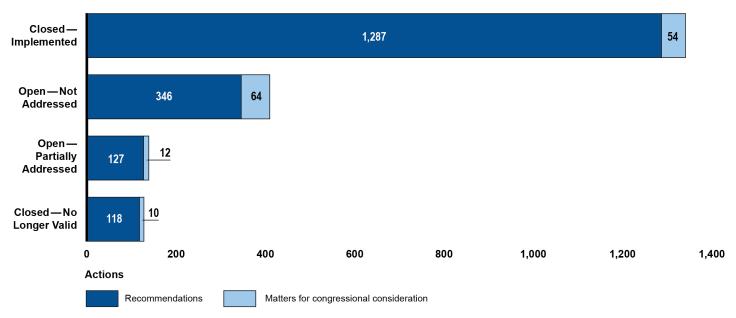
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<sup>&</sup>lt;sup>4</sup>For the full list of leading collaboration practices, see GAO, *Government Performance Management:* Leading Practices to Enhance Interagency Collaboration and Address Crosscutting Challenges, GAO-23-105520 (Washington, D.C.: May 24, 2023).

Congress and
Federal Agencies
Continue to Address
Previous Matters and
Recommendations,
Resulting in
Significant Benefits

Congress and federal agencies have made progress in addressing many of the matters and recommendations we have identified in our annual reports since 2011, as shown in figure 1. As of March 2024, Congress and agencies had fully or partially addressed 1,480 (73 percent) of the 2,018 matters and recommendations; of these, they had fully addressed 1,341 and partially addressed 139.

Figure 1: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2024



Source: GAO. | GAO-24-107594

Note: These data include matters and recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in the 2024 annual report. Matters and recommendations categorized as "closed–no longer valid" are no longer assessed. These are generally "closed–no longer valid" when the matter or recommendation is no longer relevant due to changing circumstances.

We have identified approximately \$667.5 billion in total financial benefits that have resulted from steps Congress and agencies have taken in

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response to our work including \$71.3 billion identified in our 2024 report.<sup>5</sup> For example, improvements in the Small Business Administration's oversight plans for its Paycheck Protection Program and other pandemic relief programs resulted in \$13.2 billion in savings from fiscal years 2020 through 2023.

Our matters and recommendations, when implemented, often result in other benefits, such as more effective government through improved interagency coordination or reduced mismanagement, fraud, waste, and abuse. For example:

• Overseas Nuclear Material Security. The U.S. and other countries have made efforts to secure nuclear material from theft and to prevent sabotage of facilities containing nuclear materials; however, significant risks remain that could result in catastrophic damage and mass casualties.<sup>6</sup> As part of those efforts, certain programs in the Department of Defense (DOD) and the Department of Energy's National Nuclear Security Administration (NNSA) have an overlapping mission to secure nuclear materials. They conduct similar activities—in some cases, in the same countries and in collaboration with the same foreign officials.

In 2023, we recommended that DOD and NNSA clarify and document the roles and responsibilities for programs that work to address similar issues in the same countries as other federal programs to avoid potential duplication.

In response, the agencies signed a new memorandum of agreement in 2023 for cooperation, integration, and synchronization between NNSA and the Defense Threat Reduction Agency. As a result, DOD and NNSA can better prevent duplication of effort and improve the efficiency of international nuclear security efforts.

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<sup>&</sup>lt;sup>5</sup>In calculating these totals, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits and have been rounded to the nearest \$100 million.

<sup>&</sup>lt;sup>6</sup>GAO, Overseas Nuclear Material Security: A Comprehensive National Strategy Could Help Address Risks of Theft and Sabotage, GAO-23-106486 (Washington, D.C.: Mar. 30, 2023).

Action on Open
Matters and
Recommendations
Could Yield
Significant Additional
Benefits

For the 549 matters and recommendations that were open as of March 2024, about 37 percent relate to improvements in public safety and security; 23 percent to business process and management; 14 percent to public insurance and benefits; 12 percent to tax law administration; 11 percent to program efficiency and effectiveness; and 4 percent to acquisition and contract management.<sup>7</sup>

We estimate that tens of billions of dollars in additional financial benefits could be realized should Congress and agencies fully address these matters and recommendations. Other improvements can be achieved as well, as shown in table 1.

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<sup>&</sup>lt;sup>7</sup>Percentages do not exactly add to 100 percent due to rounding.

Table 1: Examples of Open Topic Areas with Potential Financial Benefits			
Topic area and description (GAO report number linked)	Mission	Potential financial benefits (Source of estimate)	
*Medicare Payments by Place of Service: Congress could realize additional financial benefits if it took steps to direct the Secretary of Health and Human Services to equalize payment rates between settings for evaluation and management office visits and other services that the Secretary deems appropriate. (GAO-16-189)	Health	\$141 billion over 10 years (Congressional Budget Office)	
COVID Employer Tax Relief: The Internal Revenue Service (IRS) should document processes used to address certain compliance risks for COVID-19 employer tax credits and implement additional compliance activities to potentially recapture ineligible claims. (GAO-22-104280)	General Government	Tens of billions of dollars over 2 years (GAO analysis of IRS data)	
*Public-Safety Broadband Network: Congress should consider reauthorizing FirstNet, including different options for its placement, and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. (GAO-22-104915)	Information Technology	\$15 billion over 15 years <sup>a</sup> (GAO analysis of the FirstNet contract)	
Student Loan Income-Driven Repayment Plans: The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. (GAO-19-347)	Training, Employment, and Education	More than \$2 billion over 10 years (Congressional Budget Office)	
*DOE's Treatment of Hanford's Low-Activity Waste: Congress should consider clarifying two issues, including the Department of Energy's (DOE) authority to determine whether portions of Hanford's tank waste, such as the low-activity tank waste, can be managed as a waste type other than high-level radioactive waste and disposed of outside the state of Washington. (GAO-22-104365)	Energy	Billions of dollars over 11 years (GAO analysis of DOE data)	

Legend: \* = Legislation is likely to be necessary to fully address all actions in this topic area. Source: GAO. | GAO-24-107594

Note: The potential financial benefits shown in this table represent estimates of amounts we or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates in this table should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

<sup>a</sup>lf FirstNet sunsets, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

Our 2011 to 2024 annual reports included 140 matters directed to Congress to address fragmentation, overlap, and duplication, or achieve financial benefits. Of the 140 matters, 76 (54 percent) remained open as of March 2024. Legislation was introduced in the 117th or 118th Congress to address 31 (about 41 percent) of the open matters. As of March 2024, legislation had not been enacted, and those matters remained open.

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The annual reports also included 1,878 recommendations directed to federal agencies. Of these recommendations, 473 (25 percent) remained open as of March 2024, as shown in figure 2.

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Figure 2: Number of Open Duplication and Cost Savings Recommendations by Agency, as of March 2024 Agency Number of open recommendations Department of Defense 40 (57) Department of Health and Human Services 17 28 16 (44) Internal Revenue Service Other federal entities a 34 3 (37) (36) 14 Department of Homeland Security 22 1 (27) Department of Commerce 26 6 (26) 20 Office of Management and Budget Department of State 13 2 (15) Department of Justice 11 5 (13) Department of Veterans Affairs Department of Agriculture 12 (12) 7 3 (10) Department of Energy 9 1 (10) Office of Personnel Management Department of Housing and Urban Development 2 (9) 5 3 (8) Department of the Interior Department of Transportation 2 (8) 6 2 (8) Department of the Treasury Department of Education 3 3 6 **Environmental Protection Agency** 4 2 (6) Social Security Administration 4 1 (5) National Aeronautics and Space Administration 3 2 (5) U.S. Agency for International Development 2 1 (3) Department of Labor General Services Administration 12 (3) 21 (3) National Science Foundation 2 (2) Small Business Administration (1) **Nuclear Regulatory Commission** 

Open – not addressed Open – partially addressed Total open recommendations

Source: GAO. | GAO-24-107594

Note: These data include recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in the 2024 annual report.

a"Other federal entities" reflects open recommendations directed to the following federal entities: AmeriCorps, Capitol Police Board, Committee on Science, Technology, Engineering, and Math Education, Commodity Futures Trading Commission, Consumer Financial Protection Bureau, Consumer Product Safety Commission, Cybersecurity and Infrastructure Security Agency, Executive Office of the President, Federal Communications Commission, Federal Deposit Insurance Corporation, Federal Energy Regulatory Commission, Federal Reserve System, National Credit Union Administration, Office of the Director of National Intelligence, Railroad Retirement Board, U.S. Agency for Global Media, U.S. Geological Survey, United States Commission on International Religious Freedom, United States Interagency Council on Homelessness, United States Postal Service, and United States Securities and Exchange Commission.

In conclusion, we will continue to identify additional or emerging instances of fragmentation, overlap, and duplication where the government could improve collaboration and achieve greater efficiency and effectiveness. We will also continue to identify opportunities for cost savings or revenue enhancement.

Likewise, we will continue to monitor the progress Congress and federal agencies have made in addressing matters and recommendations we have previously identified. We stand ready to assist this and other committees in achieving a more efficient and effective government for the benefit of the American people.

Thank you Chairman Sessions, Ranking Member Mfume, and Members of the Subcommittee. This concludes my prepared statement. I would be pleased to answer questions.

## **GAO Contacts**

For further information on this testimony or our May 2024 report, please contact Jessica Lucas-Judy, Director, Strategic Issues, who may be reached at (202) 512-6806 or lucasjudyj@gao.gov or Michelle Sager, Managing Director, Strategic Issues, who may be reached at (202) 512-6806 or sagerm@gao.gov. Contact points for the individual areas listed in our 2024 annual report can be found at the end of each topic area in GAO-24-106915. Contact points for our Congressional Relations and Public Affairs offices may be found on the last page of this statement.

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