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**Prepared Statement before the  
Subcommittee on Legislative Branch  
Committee on Appropriations  
U.S. House of Representatives**

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**United States Government Publishing Office  
FY 2022 Budget Hearing**

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March 11, 2021  
11:45 A.M.  
Via WebEx

**U.S. GOVERNMENT PUBLISHING OFFICE**

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Mr. Chairman, Ranking Member Herrera Beutler, and Members of the Subcommittee, I am honored to appear before the Subcommittee on Legislative Branch Appropriations to present the Government Publishing Office's (GPO's) fiscal year 2022 Appropriations request. Thank you for your past support of GPO and I look forward to continuing our partnership during my time as Director.

For the coming fiscal year, I am requesting appropriations in the amount of \$125,549,000, a 7.3 percent increase over our FY 2021 appropriation. This increase reflects certain increased costs in labor and materials, as well as specific funding for certain initiatives of importance to Congress and the rest of the Legislative Branch.

However, those funds will represent only a small portion of GPO's revenue and operating capital. Nearly 88 percent of GPO's FY 2020 revenue came from billings of its other Federal customers, including the State Department, the Courts, the Department of Defense, and many others. And just as we occasionally need to adjust the rates we charge our other customers, we also need to request adjustments to our appropriation levels to ensure that we are meeting our statutory obligation to recover our costs and provide for investments that will yield additional efficiency and capability.

## The Challenges of 2020

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When we met on this very day a year ago, I was in my third month as Director and looking forward to accelerating GPO's transformation into a dynamic, digital-first publisher from its roots as a traditional printing operation. I saw a future where GPO helped its customers in the Legislative Branch and beyond with their document challenges, designing tools that allowed our customers to focus on content and simplified GPO's role in delivering that content digitally and in print.

While that vision is still on the horizon, 2020 kept us from making nearly as much progress toward that goal as I had hoped.

Last week marked the 160th anniversary of GPO's founding during the Civil War. And while I can't say that 2020 was GPO's most challenging year ever, I can say that few others matched it.

Five days after last year's testimony, GPO moved into emergency status as we began reacting in earnest to the COVID-19 pandemic. Along with many other government agencies, GPO sent its telework capable workforce home with their laptops to begin an experiment in remote work that persists to this day. We reduced the other two-thirds of our team — engaged largely in the physical production and distribution of government publications — to the minimum necessary to support Congress and other critical executive branch customers. We entirely halted the production of U.S. passports until we could reengineer our operations to allow them to continue safely, while splitting our remaining production teams in half to provide redundancy and improve social distancing.

On July 6, 2020, GPO exited its emergency status and began its effort to return to work. With the release of its *GPOSAFE* return to work plan, GPO began the first step in its effort to return its operations to normal. Passport production resumed in both DC and our Mississippi facility, but at a fraction of the regular output as we worked with reduced staffing and far higher safety protocols. Our other production areas were able to expand their work to include important customer priorities instead of having to focus only on the most urgent matters.

While we quickly reached an equilibrium in our operations over the summer, the pandemic had an immediate and detrimental effect on GPO's bottom line. Put simply, the pandemic reduced our revenue and increased our costs. We began running monthly deficits in March of 2020 and through January of 2021 have lost approximately \$30.1 million. Our revenue from passport production alone dropped by \$92 million from FY 2019 to FY 2020.

In addition to the costs of equipping and reengineering our facilities to protect against COVID-19, we were obligated to pay more than \$7 million in emergency pay to our teammates who worked at our facilities during those initial months. And while we appreciate this committee's past support for reimbursing GPO for those unexpected costs, to date, GPO is still bearing the impact of those increased labor expenditures.

In addition to those costs, our sources of revenue plummeted. Congress was not meeting as frequently, meaning we were not producing as many bills, calendars, or issues of the Congressional Record. Our other Federal customers were finding their own way through the pandemic, sending us fewer orders. And our production of passports — one of our highest margin items — was idled for several months. We did have a number of large jobs that cushioned the blow. Work from the Inauguration, the Census, and the various stimulus efforts made up for some of the losses from the reduced volume of smaller, more routine jobs. Without the revenue from those projects, our losses would likely have been much larger.

The good news is that things are beginning to look up in this second quarter of FY 2021. Beginning in March, we moved to step 2 of our GPOSAFE plan, safely resuming full passport production and ramping up some press and bindery operations to 100 percent. Our monthly deficit in January was the smallest of the pandemic, coming in at less than \$500,000 and I am optimistic that once we finalize our February financials, we may be able to cross back into a positive cash flow position. If we can stay healthy and productive, I am hopeful that we can make up much of the ground that we lost in 2020.

We have also been able to rely on our cash reserves to carry us through the pandemic without furloughs or layoffs. Those reserves are comprised of our retained earnings and are generally earmarked for various capital investment projects. As a result of having to use those reserves to meet our regular payroll, we will need to delay some of those investments, continuing to prioritize those critical to safety or current production needs.

We have also been able to largely operate safely during the pandemic. About 6 percent of our workforce has tested positive, and we have only been able to trace two incidents of virus transmission inside our facilities, with the other cases coming from community spread. We are encouraging our teammates to get vaccinated as quickly as possible, and we appreciate the limited number of vaccinations that Congress has shared with our GPO detailees. We hope that we can continue that partnership as more vaccine doses become available.

While the last 12 months have been challenging for GPO, we are in a good position to recover and, even though it is a year later, I continue to look forward to working with this subcommittee on GPO's future.

## A Snapshot of GPO's Business

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GPO has three primary lines of business: (1) producing items requested by our customers, either ourselves or through contracts with other firms across the country; (2) making government information available through libraries, the internet, and direct distribution; and (3) building the tools that our customers use to produce their own content in formats that facilitate digital and physical distribution.



## Production

GPO's business portfolio consists of—

- the passports and secure credentials we produce for the State Department and other Federal agencies;
- the print procurement and ancillary business services we provide to a broad range of Federal agencies; and
- our in-house production work for Congress and the Executive Branch.

For Congress, work we complete in-house includes the Congressional Record, the House and Senate calendars, bills, resolutions, and committee reports and hearings, and the United States Code. For the Executive Branch, we produce the Federal Register and Code of Federal Regulations, the President's Budget, the Economic Report of the President, and many other high-profile publications. Notably, daily production of the Congressional Record and the Federal Register is like producing two major city newspapers every day.

Additionally, our craftspeople frequently produce a wide array of programs, invitations, and ceremonial and commemorative documents for both the executive and legislative branches.

## Making Government Information Available to the Public

Still another core enterprise of GPO is administering the Federal Depository Library Program (FDLP), through which GPO provides important public documents to the over 1,100 FDLP-affiliated libraries nationwide, many of which are then also made available to the general public at no charge through our ISO-certified secure digital repository, [govinfo.gov](https://www.govinfo.gov). Through the Catalog of U.S. Government Publications (CGP), the public can identify and access over 1 million current and historic government titles and resources housed in FDLP libraries throughout the country or linked to in digital collections at libraries and Federal agencies.

GPO's Superintendent of Documents, Library Services and Content Management (LSCM) supports the FDLP libraries in the identification and access to new government content, maintenance of their tangible collections, digitization of aging and rare tangible documents, and education, outreach and training to ensure that the staff of FDLP libraries can assist their patrons in finding government information in both tangible and digital collections. Additionally, LSCM distributes new tangible publications to the FDLP libraries.

The Superintendent of Documents also supervises a sales and distribution program offering current, high-interest Federal publications to the public. They also provide logistics and warehousing services for Federal customers distributing printed materials.

## Building the Tools to Keep America Informed

As technology evolved, GPO updated its operations to keep pace. With the development of GPO's proprietary MicroComp composition engine in the 1980s, GPO got into the business of building tools that would later be incorporated into our customers' workflows. Soon after adoption by GPO, Congress incorporated MicroComp into its own workflows in the House and Senate offices of Legislative Counsel as well as the legislative operations teams of the Clerk of the House and Secretary of the Senate. While MicroComp is still in use today, GPO is hard at work on its replacement, XPub, which will leverage a number of commercial and open-source technologies



to produce a composition system worthy of the 21st century. XPub is scheduled to be deployed to the House and Senate this year for the production of bills, resolutions, and amendments and will continue to roll out for other applications in the years to come.

GPO also works closely with the Clerk of the House, the Secretary of the Senate, and the Bulk Data Task Force in development of United States Legislative Markup (USLM) schema, a key underlying technology for XPub.

GPO's ISO-certified secure digital repository, **govinfo**, is also a key technology for supporting our customers. The data in **govinfo** supports many public and private sector databases, such as Congress.gov, through open application programming interfaces (APIs). In FY 2020, there were 33 million average monthly retrievals of a collection that consists of more than 2 million "packages" of documents. The system has served more than 4 billion retrievals since it started in 2009.

## Breaking Down GPO's Revenue

In fiscal year 2020, GPO's overall revenues totaled \$915.9 million.

Of that amount, \$802 million – or 88 percent – came from direct billings to our non-congressional customers. This category includes current and next generation passports produced for the State Department, secure credentials produced for numerous Federal agencies, including the Capitol Police, and Federal print procurement contracts managed by GPO, including those associated with the 2020 decennial Census.

Another 8 percent – or \$69 million – came from billings to Congress for the provision of specific requested services, including the Congressional Record, congressional hearings, bills, resolutions, calendars, and the other publications.

Still another 3 percent – or \$32 million – came from appropriations we used to administer the Federal Depository Library Program and provide critical public information program services.

And finally, the remaining 1 percent – or \$13 million – came from appropriations this subcommittee provided to enable GPO to make critical information technology and cybersecurity investments for the future.

## Some Key Accomplishments

Despite the challenges of the past year, GPO achieved some notable accomplishments:

Our **govinfo** digital repository passed its third consecutive intensive annual audit to retain its ISO 16363 Trustworthy Digital Repository status and is currently the only certified digital repository in the entire world.

Our Customer Services business unit issued over \$517 million in competitive contracts to private-sector printing companies from across the country, supporting thousands of jobs in all 50 states.

We published the first congressional report with our new XPub composition system for the Select Committee on the Modernization of Congress and published the first Congressional Record issues on our new state-of-the-art digital inkjet presses.





We provided tickets, programs, and a wide variety of printed materials for the 59th Presidential Inauguration, as well as the Capitol Rotunda memorials for Congressman John Lewis and Supreme Court Justice Ruth Bader Ginsburg.

We were named a Most Valuable Employer by the Stevie Awards for our GPOSAFE return-to-work plan, and – for the 24th consecutive year – GPO’s independent outside auditor provided GPO with an unmodified, or clean, opinion on our annual financial statements.

## GPO’s FY 2022 Appropriations Request

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GPO is requesting an increase in its FY 2022 appropriations to \$125,549,000, an \$8,549,000 increase over our FY 2021 appropriations. This increase will account for changes in our labor and raw materials costs and also fund certain ongoing projects of importance to our Congressional customers.

This would be GPO’s first major increase in appropriations since FY 2014 and is actually 21 percent less than the FY 2010 appropriations or 34 percent less when adjusted for inflation. Increased productivity through the adoption of new technologies was key to keeping GPO’s needs for appropriations down, providing new and improved services at a lower cost, and reducing overall headcount. Currently, we have 1,586 GPO teammates, compared to 1,920 ten years ago.

One tool we used to keep our appropriations requests low was to repurpose prior year unexpended balances. We appreciate the willingness of this Subcommittee and the Full Committee to allow GPO to use those balances in support of programs and capital investments that benefit the original purpose of the appropriated funds.

However, as I foreshadowed in my testimony last year, those balances are dwindling, forcing us to request additional funds if we are to continue our current pace of development and innovation.

Our FY 2022 request includes \$80,184,000 for congressional publishing, a \$2.184 million increase over FY 2021. It is based on our estimates of Congress’ likely needs, informed by historical trends, and available unexpended balances. It is also informed by increased raw materials and labor costs.

Our request for our public information programs (PIP) account, through which we administer the nationwide FDLP, is \$34,020,000, an increase of \$1,720,000 – or 5.3 percent – over FY 2021. The components of this request for an appropriations increase are split between labor and compensation cost increases, materials cost increases, and our hope to add five full-time equivalents (FTEs) to enable us to meet needs for enhanced outreach to our more than 1,100 FDLP libraries, many of which have faced considerable obstacles as a result of COVID-19-related closures. Even with this proposed increase, the PIP appropriation will remain 17 percent lower than the amount appropriated in FY 2010.

The final component of our overall appropriations request is for a total of \$11,345,000 for GPO’s revolving fund to support capital investments and information technology upgrades, which represents a \$4,645,000 increase over amounts requested in FY 2021.

It is this component of our request that represents the lion’s share of our overall increase request for FY 2022, and that we believe is critical to ensuring that the impact of COVID-19 does not result in long-term damage to the agency’s ability to meet customer needs in the years ahead.



Within this request for an increase in appropriations to our revolving fund, we have identified four specific capital investment projects that this funding request would support. Three of these items will be familiar to the Subcommittee.

First, we are seeking direct appropriations support for our continued development of the aforementioned XPub composition system. XPub has been under development for several years now and is intended to fully replace our more than 30-year-old proprietary MicroComp composition system.

XPub is a transformational development project for GPO. It will enable GPO and its customers to move to an all XML-composition workflow, simplifying authoring and production while also providing data in a format where it can easily be posted on the web, delivered to mobile devices, repurposed into e-books, or used by smart people in government or the public to create tools we haven't even thought of yet.

XPub is being rolled out on a product-by-product basis. Two years ago, we hit a major milestone, publishing the more than 60,000-page 2018 Main Edition of the United States Code on XPub, and we are in the process of bringing other critical publications, including bills, resolutions, amendments, public laws, statutes at large, House and Senate calendars, the Congressional Record, and the Federal Register into XPub production.

By publishing the recent Final Report of the Select Committee on the Modernization of Congress through XPub, we were able to display the versatility of the new publishing technology which enables the easy incorporation of images, the use of color, graphics, varied layouts, and flexible fonts. As Congress considers the recommendations of the Committee for how to modernize congressional practices and communications, XPub can play a critical role in enabling Congress to present information in contemporary formats, publications, and visual displays.

With the Subcommittee's support, the iterative development of XPub has been largely funded through the reprogramming of unexpended appropriations in recent years, the availability of such funds largely depleted due to mounting budgetary pressures. If approved, our \$3.37 million appropriation request will keep XPub development and deployment on track in FY 2022. Once development is complete, we hope to provide XPub to our customers as a software-as-a-service (SAAS) application, ensuring that there is a dedicated stream of income to support continued development of the platform without the need for separate recurring appropriations.

The second component of GPO's request for increased capital investment appropriations in FY 2022 relates to the continued development of our peerless **govinfo** online portal and digital repository. In recent years, the Subcommittee has provided direct appropriations to refresh **govinfo's** infrastructure and further develop its content collections. This year's request of \$6.825 million for **govinfo** is a slight increase over the \$6.55 million the Subcommittee provided in FY 2021, and it would be divided between infrastructure investments (\$3.325 million) and development investments (\$3.5 million), including development required to support the digitization of historical content.

Investments in **govinfo** provide critical support to Congress in a number of ways, one of which is that **govinfo** supplies a considerable amount of the legislative data that supports the Congress.gov legislative system as well as the bulk data for the Legislative Bulk Data Task Force. In addition, **govinfo** helps keep the costs of administering the Federal Depository Library Program down by making hundreds of thousands of critical Government publications available online free of charge, obviating the need to print and distribute thousands of volumes annually.



With the Subcommittee's sustained support, GPO has been able to add hundreds of thousands of additional documents and publications to the **govinfo** online repository each year – over 212,000 content packages were added in FY 2020 – and the public's usage of **govinfo** continues to grow, with over 392 million information retrievals made from **govinfo** in FY 2020.

As mentioned above, **govinfo** is currently the only certified ISO 16363 Trustworthy Digital Repository in the entire world, having successfully completed its third annual audit to retain the certification. The significance of this designation is that end users can be comfortable knowing that information accessed via **govinfo** is both safely secured and authentic, two invaluable attributes for government information.

The third component of GPO's request for increased appropriations for its business operations revolving fund account is for \$150,000 to support GPO's broad and ongoing efforts to defend against advanced persistent attacks (APTs) to its information technology systems. In recent years, the Subcommittee has generously provided direct appropriations for these types of investments and this year GPO is again requesting support. As you know, cyberattacks on our critical infrastructure continue to mount from foreign and domestic sources.

GPO has several million dollars in ongoing APT investments currently underway to reduce the risk of unauthorized access, data exfiltration, and changes to data, and this request would help support those efforts.

Lastly, we are requesting an increase in appropriations to our revolving fund to support capital investments for a new initiative. It is for \$1,000,000 in FY 2022 to support GPO's implementation of the U.S. Treasury Department's mandated G-invoicing system for interagency payments and collections (IPAC). Because GPO collects over 80 percent of its operating funds through such IPAC transactions, the successful integration of this new Treasury-mandated system with GPO's financial systems is of paramount importance.

Before I conclude, I want to add that, as required by section 1604(c) of the Legislative Branch Inspectors General Independence Act, we have forwarded our Inspector General's request for \$6.324 million in budget authority for FY 2022 as part of our FY 2022 Budget Submission. Currently that request is funded as part of GPO's agency overhead – a component of the prices and rates GPO charges its agency customers and Congress – and not as a separate appropriation.

Chairman Ryan, Ranking Member Herrera Beutler, and Members of the Subcommittee, thank you for this opportunity to present GPO's FY 2022 appropriations request, and for all the support you and your staff have extended to us during this most challenging year.

This completes my prepared statement and I look forward to answering any questions you may have.





## Hugh Nathaniel Halpern, *GPO Director*

Hugh Nathaniel Halpern is the U.S. Government Publishing Office (GPO) Director, the agency's chief executive officer. The agency is responsible for publishing and printing information for the three branches of the Federal Government. Halpern is the 28th person to lead GPO since the agency opened its doors for business on March 4, 1861, the same day Abraham Lincoln was inaugurated as the 16th President of the United States. President Donald Trump nominated Halpern to be GPO Director on October 17, 2019, and the U.S. Senate confirmed him on December 4, 2019.

### Biography

Prior to coming to GPO, Halpern held a succession of leadership positions during his 30 years on Capitol Hill. He served as the Director of Floor Operations for the Speaker of the U.S. House of Representatives. In that role, Halpern was the highest-ranking floor staffer in the House and served as Speaker Paul Ryan's Chief Advisor on all procedural matters. He managed the daily floor operations of the House, served as the liaison to all leadership offices, and oversaw legislative interactions between The White House, House and Senate. In 2018, he received the John W. McCormack Award of Excellence, the highest award given to a staff member in the House. The award recognizes a lifetime of bipartisan service to the House.

In addition to his position in the Speaker's Office, Halpern has more than a decade of experience serving on the senior leadership staff. He has a proven track record of successfully leading teams to achieve results.

During his career, he served half a dozen different committees in both policy development and procedural roles. During his 11 years on the House Committee on Rules, Halpern served as Staff Director leading the management and terms of debate on the House floor. In 2001, he was named General Counsel by Chairman Mike Oxley for the newly established House Committee on Financial Services. During his tenure, the committee provided legislation addressing terrorist financing and money laundering, improving investor confidence in the wake of the Enron and WorldCom scandals and granting consumers important new tools to fight identity theft. During the 1990s, Halpern served on the House Committee on Energy and Commerce, where he handled a variety of legislative issues, including automobile safety, insurance, FTC consumer protection and tobacco regulation. Halpern began his career in Congress as an intern for Rep. E.G. "Bud" Shuster in 1987.

Halpern served a number of temporary positions during his time on Capitol Hill. He was the Parliamentarian to the First Select Committee on Homeland Security, which created the Department of Homeland Security, General Counsel to the Select Committee to investigate the voting irregularities of August 2, 2007, and Assistant Parliamentarian to the 2008, 2012, and 2016 Republican National Conventions.

A native of Hollidaysburg, PA, Halpern received bachelor's and master's degrees in Political Science from American University in 1991 and 1992, respectively. He also received a law degree from George Mason University in 1997. Halpern has been included in Roll Call's list of 50 most powerful Congressional staffers 14 times and featured in a National Journal profile as one of "The New Power Players" on Capitol Hill.

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