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Government Performance and Results Act: Proposed Amendments (H.R. 2883)

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Summary

Reflecting a determination that the majority of the agency strategic plans submitted to Congress in September 1997, pursuant to the Government Performance and Results Act (GPRA), were inadequate, the House Government Reform and Oversight Committee reported and the full House approved amendments to GPRA. The amendments (H.R. 2883), among other things, would require agencies to revise their strategic plans in accordance with specifications set out in the bill and to resubmit them to Congress and the Office of Management and Budget by September 30, 1998, rather than in the year 2000. With the support of key majority party leaders, the legislation, as amended, was approved by the House on March 12, 1998. The bill awaits Senate action.

Background

The Government Performance and Results Act of 1993 (107 Stat. 285), referred to alternatively as GPRA or the Results Act, seeks to encourage greater efficiency, effectiveness and accountability in federal spending by requiring agencies to develop strategic plans and performance measures, and to prepare annual performance plans and reports. GPRA supplements a number of other budget, accounting, and financial management laws designed to upgrade existing procedures or to provide new mechanisms for managing government operations and improving accountability.¹ After three years of experience with GPRA pilot projects, the Office of Management and Budget oversaw the first round of government wide submissions of strategic plans in 1997 and annual performance plans from the agencies to Congress in 1998.²

¹ U.S. General Accounting Office, *Managing for Results: The Statutory Framework for Performance-Based Management and Accountability*, GAO report GAO/GGD/AIMD-98-52 (Washington: Jan. 1998).

² For a review of recent developments in GPRA implementation, see: U.S. Library of Congress (continued...)

GPRA created a new oversight requirement: that “the agency consult with the Congress” when developing a strategic plan (107 Stat. 286). In early 1997 a bicameral congressional group, consisting of the majority party leadership and relevant committee chairmen, sent a letter to the OMB Director, conveying their expectations for the consultation process.³ Agencies were to submit their draft plans in advance, and then meet with relevant congressional committees during the summer of 1997. Taking into account suggestions received during consultations with Congress and other stakeholders, agencies were to submit their revised strategic plans, along with their initial drafts of annual performance plans, to OMB by the end of September, 1997.

While these revised strategic plans, on the whole, showed improvement, a report highly critical of them was issued in November 1997 by Republican congressional leaders.⁴ Using an evaluation system with 10 factors, final grades for the plans ranged from 28 to 75, with an average grade of 46 (on a scale of 0 to 100).⁵ In a statement accompanying the release of the November report, Majority Leader Dick Arme y stated, “While grades have improved since this summer, the average agency score is still an F. Federal agencies need to go back and repeat the course until they write a solid strategic plan that allows us to monitor performance clearly and directly.”⁶ The report noted several major flaws in the strategic plans; for example, some agencies set goals that stretched their statutory authority. Other general problems included lack of coordination between agencies for shared missions or goals, and inadequacies in indicators for measuring performance. In an apparent effort to address concerns identified in the report, on November 7, 1997, H.R. 2883, the Government Performance and Results Act Technical Amendments of 1997, was introduced by Representative Dan Burton, with Representatives Arme y, Stephen Horn, and Pete Sessions as initial cosponsors.

On January 30, 1998, the General Accounting Office, assigned an important role in monitoring and assisting with implementation of GPRA, released a report based on its

²(...continued)

Congress. Congressional Research Service, *Government Performance and Results Act: Implementation During 1997 and Issues of Possible Concern, 105th Congress, Second Session*, by Genevieve J. Knezo, CRS report 97-108 STM (Washington: Mar. 6, 1998).

³ For further discussion of the consultation process, see: U.S. Library of Congress, Congressional Research Service, *Government Performance and Results Act: Implications for Congressional Oversight*, by Frederick M. Kaiser and Virginia A. McMurtry, CRS report 97-382 GOV (Washington: May 12, 1997), pp. 8-12.

⁴ *The Results Act: It's the Law*, issued by: House Majority Leader Dick Arme y; Chairman Larry Craig, Senate Republican Policy Committee; Chairman Dan Burton, House Government Reform and Oversight Committee; Chairman Bob Livingston, House Appropriations Committee; and Chairman John Kasich, House Budget Committee. Available on the Internet: <http://freedom.house.gov/results>.

⁵ “As with the drafts, the final plans were graded by Congressional staff teams representing the House committees of jurisdiction, as well as the Appropriations and Budget Committees. Minority staff were invited, and they participated in many grading sessions. Senate committee staff members also participated.” *Ibid.*, pt. 2, p. 2.

⁶ “Clinton Administration Fails Accountability Review,” press release available on the Internet: http://freedom.house.results/final_report/release.asp.

review of the final strategic plans for the 24 Chief Financial Officers Act agencies. GAO's assessment was more positive than the earlier evaluation by the majority leadership. GAO concluded that, on the whole, the strategic plans which the agencies submitted to OMB in September "appear to provide a workable foundation for Congress to use in helping to fulfill its appropriations, budget, authorization, and oversight responsibilities and for agencies to use in setting a general direction for their efforts." However, the GAO report also stressed that the strategic planning efforts "are still very much a work in progress," and highlighted three difficult planning challenges that will require continued progress by the agencies as they work on the annual performance plans: "setting a strategic direction, coordinating crosscutting programs, and ensuring the capacity to gather and use performance and cost data."⁷

H.R. 2883, the GPRA Technical Amendments of 1997

The perceived inadequacy of the strategic plans submitted in September of 1997 led to the introduction of H.R. 2883 by Representative Dan Burton, Chairman of the House Committee on Government Reform and Oversight, for himself and three others, including the House Majority Leader, in the closing days of the first session of the 105th Congress. The bill reflects a determination that the majority of the strategic plans were inadequate and needed to be revised and resubmitted to Congress as soon as feasible, that is, by September 1998, rather than two years later, in the year 2000, as called for in the original legislation.⁸

Further changes to GRPA contained in H.R. 2883, as introduced, would require that the strategic plans of agencies: (1) provide mission statements, goals, and objectives that are "explicitly linked to the statutory authorities" of the agency; (2) identify agency functions that are similar to those of either more than one component of the agency or to those of other agencies, and explain coordination efforts; (3) describe certain major management problems and measures to resolve such problems; (4) assess the reliability of the agency's data sources; and (5) in addition to the agency-wide strategic plan, contain separate strategic plans for major subunits. The amendments also call for the Director of the Office of Management and Budget to submit to Congress an annual integrated governmentwide performance report, to include actual results and accomplishments for the entire federal government, beginning March 31, 2000. H.R. 2883, as introduced, also would require each inspector general to audit annually each program performance report and provide the results to Congress.

According to the supporters of H.R. 2883, the requirement for agencies to undertake another round of strategic plans by September 30, 1998, is necessary for two primary reasons. First, the strategic plans themselves have intrinsic worth, as they are to identify

⁷ U.S. General Accounting Office, *Managing for Results: Agencies Annual Performance Plans Can Help Address Strategic Planning Challenges*, GAO report GAO/GGD-98-44 (Washington: Jan. 1998), p. 3.

⁸ For a discussion of the competing views associated with the proposal, see U.S. Congress, House Committee on Government Reform and Oversight, Subcommittee on Government Management, Information, and Technology, Legislative Hearing on H.R. 2883, Feb. 12, 1998; Subcommittee Markup of H.R. 2883, March 3 and 4, 1998; and House Committee on Government Reform and Oversight, Markup of H.R. 2883, March 5, 1998 (not yet printed).

missions, priorities, and cross-cutting programs. Second, the strategic plans give rise to the annual performance goals and plans. If the parent plan is faulty, and remains so, then one of two problems arises: either the followup annual plan would also be faulty, or it would have to ignore or violate the strategic plans. Further, if the law were amended to require a formal resubmission of the strategic plans this year, then, presumably, the requirement for agencies to consult with Congress would be retained. This would allow Congress to play a more direct, immediate, and formal role in the process than if the agencies revised their plans on their own or followed their own guidelines and guidance.

H.R. 2883, according to its proponents, is also designed to induce the strategic plans to better address major management weaknesses in agency operations, agency data capacity, and cross-cutting programs, as well as interagency coordination efforts. The bill calls for meeting these objectives by requiring that agencies identify major management weaknesses and cross-cutting programs, describe interagency coordination efforts, and assess the reliability of their data sources; and that inspectors general be more extensively involved in the process, by having them audit annually each program performance report.

Opposition to the bill has arisen from the Clinton Administration, some legislators, and other sources.⁹ OMB, for instance, has said that the strategic plans are already being reviewed and revised, where necessary, and that this is an on-going iterative process, as envisioned in the original act, with agencies urged to contact legislators as well as stakeholders.¹⁰ OMB added that a mandatory resubmission process would impose a heavy, unanticipated burden on the agencies, which are also engaged in completing other Results Act requirements, as well as performing other agency duties. Some critics note that the requirement for assessing major management problems duplicates existing statutory provisions. Separately, inspectors general objected to the provision requiring them to audit each program performance report on the grounds that this “could entail a massive effort, overwhelming the audit resources of many members of the IG community.”¹¹

Congressional Action on H.R. 2883

House Committee Action. The House Subcommittee on Government Management, Information, and Technology held a hearing on H.R. 2883 on February 12, 1998. Initially, markup had been scheduled to follow immediately, but was postponed at the request of then-ranking minority member, Representative Carolyn Maloney. The subcommittee resumed consideration of H.R. 2883 on March 3, 1998, with intense debate about whether GPRM should be amended at all and, if so, in what areas and to what extent. Markup continued on March 4. Four amendments were adopted by the

⁹ See sources cited in note 8, as well as OMB Watch, “Give the Results Act Time to Work: An Analysis of H.R. 2883,” Feb. 11, 1998. Handout available at a Feb. 12, 1998, hearing of House Subcommittee on Government Management, Information, and Technology.

¹⁰ See statement by G. Edward Deseve, Acting Deputy Director, Office of Management and Budget, before the House Subcommittee on Government Management, Legislative Hearing on H.R. 2883, Feb. 12, 1998.

¹¹ Eleanor Hill, Vice Chair, President’s Council on Integrity and Efficiency, and Inspector General, Department of Defense, Letter [on H.R. 2883] to Honorable Dan Burton, Chairman, House Committee on Government Reform and Oversight, Feb. 11, 1998, p. 1.

subcommittee, and then the panel approved the bill, as amended, by voice vote. Amendments added during markup would:

clarify the role of inspectors general in assessing performance plans and reports, in part, by calling on them to focus on performance measures associated with programs and activities that have a high risk of waste, fraud, or mismanagement;

require that certain financial statements, currently submitted by the agencies only to OMB, also be submitted to Congress;

require full cost accounting, by providing that agencies determine the complete costs of programs covered by GPRA performance standards; and

direct that the Council on Environmental Quality, otherwise exempted from GPRA because of its small budget, be covered by the Results Act.

Five other amendments were offered in subcommittee markup by Democrats; two were rejected and three were withdrawn.¹²

The next day, on March 5, 1998, the full Government Reform and Oversight Committee held markup for H.R. 2883. A fifth amendment to the original bill was approved by the full committee, to allow strategic plan missions to be linked not just to statutory authority but also to “other legal authority,” such as executive orders or judicial rulings. The committee voted to approve the subcommittee substitute version, as further amended, by a vote of 21-12; two Democrats voted with the majority. The Committee then, by voice vote, favorably reported the bill, as amended, to the House.¹³

Other amendments, rejected by votes largely following party lines, were offered by Representative Dennis Kucinich (now the ranking minority member on the subcommittee), during markup by the full committee. These would have made GPRA applicable to congressional committees and made it clear that not all 100 agency strategic plans would need to be officially revised and resubmitted. Other discussion during the markup sessions centered on whether the Federal Reserve should be covered by GPRA; however, no formal proposal along these lines emerged at the time, in part, reportedly, because of the jurisdictional interests of the House Committee on Banking and Financial Services.

House Floor Action. The House, by vote of 242 to 168, passed H.R. 2883 on March 12, 1998, after two amendments were adopted.¹⁴ The chamber approved an

¹² U.S. Congress. House Committee on Government Reform and Oversight, *Government Performance and Results Act Technical Amendments of 1998*, report to accompany H.R. 2883, 105th Cong., 2nd sess., H. Rept. 105-429 (Washington: GPO, 1998), p. 10. Also see “HR 2883 Approved by House Subcommittee,” by Patrick Lester, OMB Watch, March 4, 1998. Received via e-mail from OMB Watch’s Results Act list, address: ombwatch@rtknet.org.

¹³ House Rept. 105-429, p. 11.

¹⁴ “Providing for Consideration of H.R. 2883, Government Performance and Results Act Technical Amendments of 1998,” debate in House, *Congressional Record*, v. 144, March 12, (continued...)

amendment, offered by Representative Carolyn Maloney, that would establish limited applicability of GPRA to the Board of Governors of the Federal Reserve System and the Federal Reserve banks; this addition would cover only operations that are not directly related to the establishment and conduct of the monetary policy of the United States. A second amendment, introduced by Representative Stephen Horn, made a technical change in the date of submission of the required agency inspector general reviews of performance plans and reports.

The chamber rejected an amendment, from Representative Dennis Kucinich, to strike the language requiring the resubmission of the agency strategic plans. In addition, a point of order was sustained against another amendment offered by Representative Kucinich, which would have brought House or Senate committees under GPRA coverage; the amendment was ruled not germane to the bill, because it relates to executive branch agency responsibilities under GPRA and not to entities in the legislative branch.

Future Action. The outlook for H.R. 2883 in the Senate, where it awaits committee consideration, is less certain than in the House. Unlike the broad bipartisan support enjoyed by the legislation which ultimately became the Government Performance and Results Act of 1993, the disagreements evident during committee and floor consideration in the House reflect that such bipartisan support has yet to materialize for H.R. 2883. Although called “Technical Amendments,” the provisions contained in this bill could make significant changes in the original GPRA framework.

¹⁴(...continued)
1998, pp. H1117-H1135.