

Issue Brief for Congress

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Executive Branch Reorganization and Management Initiatives

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Executive Branch Reorganization and Management Initiatives

SUMMARY

When President George W. Bush came into office in January 2001, he arrived from a campaign in which he had emphasized efficiency in government, particularly through the use of information technology, but had not revealed any plans for reorganizing the executive branch.

The departing Clinton Administration had conducted, during most of its eight-year tenure, an active effort at “reinventing government,” spearheaded by a National Performance Review (NPR). Announced shortly after the 1993 inauguration, the NPR sought to find ways to make the federal government more efficient, economical, and effective. The result was a series of reports proposing various organizational and operational reforms.

Several major NPR recommendations were awaiting implementation when the November 1994 congressional elections resulted in Republican majority party control of both houses of the 104th Congress. Republican congressional leaders had unveiled a Contract With America reform plan in late September 1994. Its core principles regarded the federal government as being too big, spending too much, being unresponsive to the citizenry, and perpetrating burdensome regulations. Consequently, at least two distinct agendas for reforming and restructuring the federal government were before the 104th Congress. At its conclusion, both the President and Republican congressional leaders could claim some victories in downsizing government. However, no department was eliminated, and only a few small agencies were abolished.

Administration and congressional rein-

vention efforts resulted in mostly modest accomplishments during the 105th Congress. Major exceptions were the overhaul of the structure and operations of the Internal Revenue Service and the consolidation of the foreign policy agencies, both of which were realized as a result of cooperation between the Clinton Administration and Republican congressional leaders. During the 106th Congress, executive reorganization and reinvention were neither major nor high-priority items.

Shortly after his 2001 inauguration, President Bush announced plans to address a number of management problems in the federal government, offering specific solutions to address them. Then, in the aftermath of the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon, the organization of the federal government for maintaining homeland security and combating terrorism became an important consideration for both the President and the 107th Congress. Establishment of the Office of Homeland Security in October 2001 as a coordinating entity was an important first step, followed by the President’s June 6, 2002, call for the creation of a Department of Homeland Security.

This issue brief views reorganization and management as involving the alteration of the program administrative structure and operations of the executive branch for reasons of efficiency, economy, and direction. The underlying issue is who reorganizes or sets management policy—Congress or the President—and by what authority and, also, for what purpose? Some electronic government developments are tracked as well.

MOST RECENT DEVELOPMENTS

Having given impetus to the creation of a Department of Homeland Security in a June 6, 2002, speech calling for the establishment of such an entity, President George W. Bush transmitted his proposal for the department to Congress on June 18. It was subsequently introduced by request (H.R. 5005) on June 24. According to a legislative strategy announced by Speaker Dennis Hastert and Minority Leader Richard Gephardt, the House will begin working with this proposal on an expedited basis. Plans call for an initial review and modification of the administration bill by standing committees having jurisdiction over homeland security matters, followed by a similar review and refinement of the measure by an ad hoc select panel under the leadership of Majority Leader Dick Armey. The bill will then be sent to the House floor for final action. The Senate has elected to work with the department bill (S. 2452) sponsored by Senator Joseph Lieberman. The resulting House and Senate bills will then be reconciled in conference. The primary issue for Congress and the President is what shall be the program composition and administrative organization of the new department.

BACKGROUND AND ANALYSIS

For well over a century, the structure and program responsibilities of the federal executive branch, including all of the departments and agencies, were determined by Congress. In the aftermath of World War I, however, with the rise of the new public administration profession and growing sentiment for attaining efficiency and economy in government, came efforts to strengthen the President's management ability. In 1932, the Chief Executive was statutorily authorized to issue executive orders proposing reorganization within the executive branch for purposes of reducing expenditures and increasing efficiency in government. A reorganization order became effective after 60 days unless either House of Congress adopted a resolution of disapproval. When President Herbert Hoover submitted 11 different reorganization orders, all were disapproved by the House of Representatives on the grounds that his newly elected successor, Franklin D. Roosevelt, might have different reorganization ideas.

President Roosevelt did submit a number of reorganization orders pursuant to a revised and extended version of the 1932 statute, which expired automatically in 1935. Some major actions taken in these orders included creating procurement and disbursement divisions in the Treasury Department, establishing an enlarged National Park Service in the Interior Department, and making the Farm Credit Administration an independent agency.

Congress subsequently mandated a similar arrangement in a 1939 statute. Once again, the objective was to achieve efficiency and economy in administration. A presidential reorganization plan, submitted to Congress, became effective after 60 days unless both houses of Congress adopted a concurrent resolution of disapproval. In his initial reorganization plan, President Franklin D. Roosevelt created the Executive Office of the President.

Such reorganization authority, renewed periodically a dozen times between 1945 and 1984, with slight variation, remained available to the President for nearly half a century. At

different junctures, qualifications were placed upon its exercise. For example, reorganization plans could not abolish or create an entire department, or deal with more than one logically consistent subject matter. Also, the President was prohibited from submitting more than one plan within a 30-day period and was required to include a clear statement on the projected economic savings expected to result from a reorganization.

Modification of the President's reorganization plan authority was made necessary in 1983 when the Supreme Court, in the *Chadha* case (462 U.S. 919), effectively invalidated continued congressional reliance upon a concurrent resolution to disapprove a proposed plan. Under the Reorganization Act Amendments of 1984, which were signed by President Ronald Reagan on November 8, several significant changes were made in the reorganization plan law. Any time during the period of 60 calendar days of continuous session of Congress following the submission of a reorganization plan, the President might make amendments or modifications to it. Within 90 calendar days of continuous session of Congress following the submission of a reorganization plan, both houses must adopt a joint resolution (which, unlike a concurrent resolution, becomes law with the President's signature — a central issue in the *Chadha* case) for a plan to be approved. This amendment, however, continued the President's reorganization plan authority only to the end of 1984, when it automatically expired (see 5 U.S.C. 901-912 (1988)). Neither President Reagan nor President George H. W. Bush requested its reauthorization. President William Clinton did not seek its renewal, although his National Performance Review (see below) recommended this course of action in September 1993. Likewise, President George W. Bush has not sought such authority, even though some have advised that reorganization plans could be useful to reconfigure portions of the executive branch to better combat terrorism and maintain homeland security.

Currently, in the absence of reorganization plan authority, the President may propose executive branch reorganizations to be realized through the normal legislative process. The Departments of Energy, Education, and Veterans Affairs were established in this manner. This approach, however, is devoid of the action time frame and required final vote of the reorganization plan arrangement that expedites reorganization. The President might attempt a minor reorganization, such as establishing a small, temporary entity within the Executive Office of the President, by issuing a directive, such as an executive order. Attempting more ambitious reorganizations through a presidential directive may, if not ultimately found to be illegal, incur congressional displeasure and subsequent legislative and fiscal reaction. As a result of the absence of reorganization plan authority, more recent reform efforts to improve the efficiency and economy of government operations have emphasized management improvements of both a governmentwide and specific program variety, including applications of information technology that have resulted in so-called electronic government.

Reinventing Government

An ambitious effort at realizing executive branch reorganization and management reform was launched by President Clinton at the outset of his administration when, on March 3, 1993, he initiated a National Performance Review (NPR) to be conducted under the leadership of Vice President Albert Gore, Jr. Six months later, on September 7, the initial NPR report, *From Red Tape to Results: Creating a Government That Works Better & Costs Less*, was delivered to the President. Various accompanying supplemental reports on both specific agencies and functional areas of government were subsequently published during

1994. The bulk of the report's almost 380 major recommendations (broken into over 1,230 action items) were directed to management reforms; several proposals addressed executive reorganization, including one for congressional restoration of presidential reorganization plan authority.

During the 12 months after the NPR report was issued, its recommendations were implemented by 22 presidential directives, several enacted bills, and various agency actions. Anniversary reports, marking progress in implementing NPR recommendations, were issued in September of 1994, 1995, and 1996. The last of these indicated that 43% of the NPR's initial 833 agency action items were completed and 42% were in progress, and that 38% of its initial 430 management systems action items were completed and 49% were in progress. Of an additional 187 agency recommendations, 19% were completed and 62% were in progress. As of January 1996, the executive workforce had been reduced by nearly 240,000. In addition, almost 2,000 obsolete field offices had been closed and approximately 200 programs and agencies — such as the Tea-Tasters Board, Bureau of Mines, and wool and mohair subsidies — had been eliminated. As of September 1996, said the report, "savings of about \$97.4 billion have been ensured through legislative or administrative action." Of the original \$108 billion in savings projected in 1993, about \$73.4 billion had been realized.

The Clinton Administration renewed its reinventing government effort in mid-January 1995 with Phase 2 of the NPR, which was detailed in the President's FY1996 budget. Shortly thereafter, in late February, the President announced new regulatory reform proposals, including page-by-page review of federal regulations to determine those that were obsolete, replaceable by private sector alternatives, or better administered by state and local government. He also proposed to abolish the Interstate Commerce Commission (ICC) and reconstitute the Federal Aviation Administration's air traffic control services as a wholly owned government corporation. The elimination of the ICC was subsequently realized in December 1995. Certain functions of the Commission were transferred to the Surface Transportation Board, newly established within the Department of Transportation by the termination statute (109 Stat. 803).

With the convening of the 105th Congress, the reinvention effort entered yet another new phase, emphasizing improved service delivery; use of partnerships and community-based strategies to solve problems, not big government; and techniques for improving performance in a time of diminishing resources, including the use of performance-based organizations (PBOs). As a reflection of this third revamping, the NPR, known heretofore as the National Performance Review, became the National Partnership for Reinventing Government in January 1998.

Support for the performance of selected governmental functions through PBOs was reiterated in the President's FY1998 budget. The PBO innovation involved rechartering certain federal executive agencies to permit them to negotiate alternative approaches to procurement and personnel rules and to increase their accountability for financial and program results. The anticipated increased efficiency would allow the agencies to downsize their workforce or use their cost savings to improve services. Legislation to convert the Patent and Trademark Office (PTO) of the Department of Commerce into a PBO was proposed by the Clinton Administration in 1995, but it received little attention during the 104th Congress; similar legislation remained on the Senate legislative calendar when the 105th Congress adjourned. When the agency was restructured by the American Inventors

Protection Act of 1999 (113 Stat. 1537-564), the reconstituted PTO insisted it was a PBO, but that characterization was doubtful in the view of many analysts.

Overhauling the structure and operations of the Internal Revenue Service (IRS) was a major accomplishment of the 105th Congress. Although some competition developed between the White House and congressional leaders to seize the IRS reform initiative, the Clinton Administration subsequently abandoned its opposition to a congressional plan for a wide-ranging overhaul of the IRS. President Clinton signed the reform bill into law (112 Stat. 685) on July 22, 1998.

In early 1997, the Clinton Administration revisited the long-discussed and contentious matter of the reconfiguration and consolidation of the foreign policy agencies. Prolonged and heated debate over such a reorganization during the 104th Congress had resulted in a presidential veto. In mid-April, the President approved a broad reorganization proposal calling for the folding of two independent agencies — the Arms Control and Disarmament Agency and the United States Information Agency — into the Department of State. In addition, the U.S. Agency for International Development remained a separate entity, but its director would report to the Secretary of State rather than to the President, as current law prescribed. The plan eventually was included in the provisions of the State Department authorization bills, but conferees on the legislation later deadlocked on a House provision barring aid for family planning groups that use their own money to finance overseas abortions. The Clinton Administration revived the conference discussions early in 1998. Subsequently, the reorganization proposal, without the objectionable abortion restriction rider, was included in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, signed into law by President Clinton on October 21 (112 Stat. 2681-761).

In the aftermath of the May 25, 1999, release of the final report of the House Select (Cox) Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China, discussing security lapses that had apparently allowed the Chinese to acquire U.S. nuclear weapons and related technology, a special investigative (Rudman) panel of the President's Foreign Intelligence Advisory Board (PFIAB) released a June 15 report concerning these and other Department of Energy (DOE) managerial failures and called for "radical" restructuring of DOE. Although Secretary of Energy Bill Richardson opposed creating an independent nuclear security agency, he later accepted the idea of a semiautonomous agency within DOE to manage the national labs. Conferees on the National Defense Authorization Act for FY2000 provided for the establishment of a new National Nuclear Security Administration (NNSA) as a semiautonomous entity within the department and a related under secretary position. Although Secretary Richardson expressed reservations about the NNSA, both chambers approved the conference committee report in September.

Signing the legislation into law on October 5 (113 Stat. 512), President Clinton, in a surprise move, indicated his displeasure with provisions creating the NNSA, and announced that he would withhold appointing the new under secretary for information security until Congress addressed certain "deficiencies" in the organizational arrangements. Secretary Richardson was directed by the President to perform the duties of the new under secretary and to assign department officers and employees to a concurrent office within the NNSA as deemed necessary. The President's action stunned many legislators closely associated with

the NNSA structuring. After seeking to assure Members of Congress that the administration was in agreement with the spirit of the legislation, but felt that the NNSA provisions constituted “a serious problem,” Richardson developed and, on January 7, transmitted the NNSA implementation plan. The new agency began operations on March 1. President Clinton later nominated General John A. Gordon, who was serving as the deputy director of the Central Intelligence Agency, to be the DOE’s new under secretary for nuclear security and the director of the NNSA. He was subsequently confirmed by the Senate on June 14, 2000, as the head of NNSA.

Interest in a bipartisan, blue ribbon national study commission on government organization and administrative management was renewed when Senator Fred Thompson, chairman of the Senate Committee on Governmental Affairs, introduced, with bipartisan sponsorship, the Government for the 21st Century Act (S. 2306) on March 28, 2000. The legislation mandated a nine-member Commission on Government Restructuring and Reform, which, by December 2002, was to provide a preliminary report to the President and Congress proffering recommendations on reforming and restructuring executive branch organization and operations. Among the goals for improvements in the performance of the government set by the legislation were a restructuring of the Cabinet and sub-Cabinet level agencies; a substantial reduction in the costs of administering government programs; a dramatic and noticeable improvement in the timely and courteous delivery of services to the public; and responsiveness and customer-service levels comparable to those achieved in the private sector. The measure was referred to the Senate Committee on Governmental Affairs, and a May 4 hearing on the measure was held by the Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia, but no further action was taken prior to the final adjournment of the 106th Congress.

The major focus of the subcommittee’s hearing was on “reinventing government,” with particular emphasis on the accomplishments of the NPR. Among those appearing before the subcommittee, Donald F. Kettl, a University of Wisconsin professor who had conducted extensive research on the NPR reforms, gave the effort an overall grade of “B,” saying there was “room for improvement.” Brookings Institution scholar Paul C. Light added that the NPR program had created “unnecessary politicization of government reform.” Two other analysts were also critical of the NPR effort. A few months later, in September, a GAO report (GAO/GGD-00-145) concluded that the NPR reinvention effort had been largely successful, with more than 90% of key Clinton Administration recommendations having been fully or partly implemented. The report was based upon a review of 72 NPR recommendations by 10 federal agencies, which found that 33 of them were fully implemented and another 30 were partly implemented.

A New Administration

During his campaign for the presidency, Texas Governor George W. Bush emphasized efficiency in government, particularly through the use of information technology, but revealed no plans for reorganizing the executive branch. The terrorist attacks of September 11, 2001, however, would prompt various structural modifications.

In the initial months of the 107th Congress, various efforts, including proposed management improvements and organizational changes, were offered, expanding upon and

developing the electronic government initiatives of the Clinton Administration. The E-Government Act of 2001 sought to establish a Federal Chief Information Officer (CIO) within the Office of Management and Budget (OMB). Such an official, skilled in information technology management, procurement, and application, would be, in the view of proponents of the legislation, a more effective leader and coordinator in the effort to establish various aspects of electronic government within the executive branch. The Senate bill (S. 803) was offered by Senator Joseph Lieberman, with bipartisan cosponsors, on May 1. A hearing on the measure was held on July 11 by the Committee on Governmental Affairs, where OMB Deputy Director Sean O'Keefe reiterated the position of the Bush Administration that the OMB Deputy Director for Management should be the governmentwide CIO, and took issue, as well, with some other aspects of the bill. Earlier, Unisys vice president for e-business Mark Forman was named OMB Associate Director for Information Technology and E-Government. The House version of the legislation (H.R. 2458) was introduced by Representative Jim Turner, with bipartisan cosponsors, on July 11, and was referred to the Committee on Government Reform. (See CRS Report RL30745, CRS Report RL30914, CRS Report RL31057, and CRS Report RL31088.)

In a July 18 memorandum to executive department and agency heads, OMB Director Mitchell E. Daniels, Jr., on behalf of President Bush, apprised executive department and agency heads of administration efforts to develop an electronic government action plan using an interagency task force under the leadership of OMB Associate Director Mark Forman. See [<http://www.whitehouse.gov/omb/memoranda/text/m01-28.html>].

Speaking with reporters at Immigration and Naturalization Service (INS) headquarters on August 21, 2001, newly installed INS Commissioner James W. Ziglar pledged himself to a major restructuring of his agency, promising to divide it into service and enforcement arms under his leadership. Critics of the INS have proposed that it be divided into two separate agencies for service and enforcement. For several years, the INS has drawn complaints for backlogs and delays in processing immigrants' applications for residency or citizenship, mistreatment of customers, and reliance on outdated technology. President Bush proposed dividing INS into two agencies during his campaign for the White House.

In his August 25, 2001, weekly radio address to the nation, President Bush announced the release of *The President's Management Agenda*, a report identifying 14 management problems in the federal government and offering specific solutions to address them (available at [<http://www.omb.gov>]). In language reminiscent of the National Performance Review launched by the Clinton Administration, the report urged "rethinking government," called for a reduction of middle management, and championed "results-oriented" and "market-based" administration. It proposed five governmentwide initiatives: strategic management of human capital, competitive outsourcing (see CRS Report RL31024), improved financial performance, expanded electronic government (see CRS Report RL30745 and CRS Report RL31057), and budget and performance integration (see CRS Report RS20938). Its nine specific program initiatives included a reiteration of support for reducing barriers to the delivery of federally funded social services by faith-based and community groups. A "Freedom to Manage" proposal in support of the agenda is expected to be particularly controversial.

In the aftermath of the September 11 terrorist attacks, consideration was given to executive reorganization in various quarters of the House and the Senate during the second

session of the 107th Congress. Of chief concern was the prospect of restructuring the government for more efficient, economical, and effective homeland security. Reinstatement of the President's reorganization plan authority was proposed to allow the Chief Executive to create the structure he deems appropriate, and legislation creating a Department of Homeland Security was introduced (S. 1534) and later upgraded (S. 2452 and H.R. 4660). On February 14, 2002, the leadership of the House and Senate intelligence committees announced a bipartisan investigation of the operations and activities of the intelligence community pertaining to the September 11 attacks, which may result in legislation reorganizing the intelligence agencies. Press revelations that perpetrators of the terrorist attacks had been cleared by the Immigration and Naturalization Service (INS) to stay in the United States have prompted renewed calls for the overhaul of the INS, including its division into separate administrative and enforcement entities. On March 21, leaders of the House Committee on the Judiciary reached agreement on a bipartisan proposal to split the existing INS and provide each component its own budget. In a surprise move, the White House, on April 24, gave qualified support to the proposal. The endorsement came on the eve of the bill (H.R. 3231) being considered on the House floor for final action. Introduced on November 6, 2001, by Representative James F. Sensenbrenner, Jr., the measure garnered 46 cosponsors. Revised in a April 10 markup, the legislation was ordered to be reported from committee on a 32-2 vote. A report on the bill (H.Rept. 107-413) was filed on April 19, and the measure was adopted by the House on a 405-9 vote on April 25. (See CRS Report RL30257 and CRS Report RS20279.)

Another long-standing reorganization matter concerns border security administration. For many years prior to the September 11 terrorist attacks, proposals have been made from time to time to consolidate various aspects of border security within a single entity or minimum number of federal agencies. (See CRS Report 97-974.) Such proposals have attracted greater interest since the attacks as part of counterterrorism efforts to more efficiently and effectively secure the nation's northern and southern borders. In late December, Office of Homeland Security staff reportedly produced a tempest within the Bush Administration when they unveiled a broad proposal to create an agency that would consolidate border security management. Opponents represented a wide range of agencies, including five Cabinet departments.

This proposal, however, was used by presidential assistants to formulate the Department of Homeland Security plan unveiled by President Bush on June 6. His surprise announcement was viewed not only as an attempt to regain the initiative in the nation's efforts at combating terrorism, but also to move beyond the coordination efforts of the Office of Homeland Security to a strong administrative structure for managing consolidated programs concerned with border security and effective response to domestic terrorism incidents. On June 18, the President transmitted to the House of Representatives proposed legislation to establish a Department of Homeland Security. This legislation was subsequently introduced by request (H.R. 5005) on June 24. According to a legislative strategy announced by Speaker Dennis Hastert and Minority Leader Richard Gephardt, the House will begin working with this proposal on an expedited basis. Plans called for an initial review and modification of the administration bill by standing committees having jurisdiction over homeland security matters, followed by a similar review and refinement of the measure by an ad hoc select panel under the leadership of Majority Leader Dick Armey. The bill will then be sent to the House floor for final action. The Senate has elected to work with the department bill (S. 2452) sponsored by Senator Joseph Lieberman. The resulting

House and Senate bills will then be reconciled in conference. The primary issue for Congress and the President is what shall be the program composition and administrative organization of the new department.

In a separate development, with the submission of the President's FY2003 budget, the Bush Administration appears to be attempting to transfer programs from agencies through funding consolidations. For example, the programs and \$234.5 million budget of the Office of Domestic Preparedness, Department of Justice, would be transferred to the Federal Emergency Management Agency. Other similar such disaster preparedness programs reportedly will be shifted to different departments as the Office of Homeland Security develops its comprehensive strategy. However, the propriety of moving program responsibilities and related funds without statutory authority appears to be highly questionable.

CONGRESSIONAL HEARINGS, REPORTS, AND DOCUMENTS

U.S. Congress. House. Committee on Government Reform and Oversight. *Creating a 21st Century Government*. H.Rept. 104-434, 104th Congress, 1st session. Washington, U.S. Govt. Print. Off., 1995. 31 p.

——— *Federal Government Management: Examining Government Performance as We Near the Next Century*. H.Rept. 104-861, 104th Congress, 1st session. Washington, U.S. Govt. Print. Off., 1996. 213 p.

——— *Making Government Work: Fulfilling the Mandate for Change*. H.Rept. 104-435, 104th Congress, 1st session. Washington, U.S. Govt. Print. Off., 1995. 60 p.

U.S. Congress. Senate. Committee on Governmental Affairs. *Government at the Brink*. Committee print, 107th Congress, 1st session. Washington, U.S. Govt. Print. Off., 2001. 2 v.

——— *Has Government Been "Reinvented"?*. Hearing, 106th Congress, 2nd session, May 4, 2000. Washington: U.S. Govt. Print. Off., 2000. 83 p.

——— *National Homeland Security and Combating Terrorism Act of 2002*. S.Rept. 107-175, 107th Congress, 2nd session. Washington, U.S. Govt. Print. Off., 2002. 38 p.

——— *Report of Senator Fred Thompson on Major Management Challenges Facing Federal Departments and Agencies*. Committee print, 106th Congress, 2nd session. Washington, U.S. Govt. Print. Off., 2000. 55 p.

——— *Report of Senator Fred Thompson on Management Challenges Facing the New Administration*. Committee print, 106th Congress, 2nd session. Washington, U.S. Govt. Print. Off., 2000. 51 p.

CHRONOLOGY

- 06/06/02** — President George W. Bush called for the creation of a Department of Homeland Security by Congress and provided a plan for the structure and programs of the new entity.
- 08/25/01** — President George W. Bush, in his radio address to the nation, announced the release of *The President's Management Agenda*, a report identifying 14 management problems in the federal government and offering specific solutions to address them.
- 07/18/01** — OMB Director Mitchell E. Daniels, Jr., on behalf of President Bush, apprised executive department and agency heads of administration efforts to develop an electronic government action plan using an interagency task force to be headed by OMB Associate Director for Information Technology and E-Government Mark Forman.
- 03/28/00** — Senator Fred Thompson, chairman of the Senate Committee on Governmental Affairs, introduced legislation (S. 2306), with bipartisan sponsorship, mandating a nine-member Commission on Government Restructuring and Reform to make recommendations to the President and Congress to improve the organization and operations of the executive branch of the federal government for the 21st century.
- 01/01/98** — The National Performance Review became the National Partnership for Reinventing Government.
- 01/11/97** — At a Blair House meeting of the new Cabinet, Vice President Gore presented a brief set of papers, which he dubbed “reinvention marching orders,” emphasizing three themes: improved service delivery; use of partnerships and community-based strategies to solve problems, not big government; and techniques for improving performance in a time of diminishing resources, including the use of performance-based organizations. The issuance of the Blair House papers marked the beginning of a new stage of the NPR.
- 09/09/96** — The National Performance Review marked its third-year anniversary, reporting that 43% of its initial 833 agency action items were completed and 42% were in progress, and 49% of its initial 430 management systems action items were completed and 49% were in progress; of an additional 187 recommendations, 19% were completed and 62% were in progress; “savings of about \$97.4 billion have been ensured through legislative or administrative action” and an “additional \$5.2 billion in savings is contained in legislation pending before Congress;” and, as of January 1996, an executive workforce reduction of nearly 240,000 employees had been realized.
- 09/11/95** — The National Performance Review marked its second year anniversary, reporting that 32% of its initial agency action items were completed and 61% were in progress, and 27% of its initial 417 management systems action items

were completed and 63% were in progress; more than 180 additional recommendations had been made; and “about \$57.7 billion of [approximately \$108 billion] projected savings have been achieved” and an “additional \$4.3 billion in savings are currently pending before Congress.”

- 01/12/95** — Vice President Gore, OMB Director Alice Rivlin, and other officials formally launch Phase 2 of the National Performance Review.
- 09/27/94** — Republican leaders of the House of Representatives unveiled a “Contract With America” reform plan with core principles that regard the federal government as being too big, spending too much, unresponsive to the citizenry, and the perpetrator of burdensome regulations.
- 09/14/94** — The National Performance Review marked its one-year anniversary, reporting that over 90% of its recommendations “are under way,” implementation occurring through 22 presidential directives, several enacted bills, and a variety of agency actions, with the result that “\$46.9 billion of NPR’s \$108 billion in proposed savings are already enacted” and another “\$16 billion in savings is pending before Congress.”
- 09/07/93** — The National Performance Review provided its final report to President Clinton, offering some 380 major recommendations for government reform. The bulk of these proposals concerned management improvement, but several were directed at agency reorganization, consolidation, and field structure overhaul.
- 03/03/93** — President Clinton announced he was initiating a National Performance Review, to be headed by Vice President Gore, to evaluate the efficiency, economy, and effectiveness of every federal program and service, and make recommendations for “reinventing government,” including proposals for executive branch reorganization.

LEGISLATION

H.R. 525 (Gilcrest)/S. 1453 (Smith)

Preparedness Against Domestic Terrorism Act of 2001. Amends the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for improved federal efforts to prepare for and respond to terrorist attacks, and for other purposes, including the establishment of the President’s Council on Domestic Preparedness. Introduced Feb. 8, 2001, and referred to Committee on Transportation and Infrastructure; referred to Subcommittee on Economic Development Feb. 9; subcommittee hearings held Apr. 24 and May 9; subcommittee mark-up session Sept. 20; referred, as amended, to full committee Sept. 20.

H.R. 1158 (Thornberry)

National Homeland Security Agency Act. Establishes a National Homeland Security Agency as an independent agency with a director appointed by the President and subject to Senate confirmation. Introduced Mar. 21, 2001, and referred to the Committee on Government Reform; referred to the Subcommittee on National Security Apr. 23; subcommittee hearing held Apr. 29.

H.R. 1292 (Skelton)

Homeland Security Strategy Act of 2001. Requires the President to develop and implement a strategy for homeland security, including designating a single government official responsible for homeland security. Introduced Mar. 29, 2001, and referred to the Committee on Armed Services with additional referral to the Committees on Transportation and Infrastructure, the Judiciary, and Intelligence; Transportation Subcommittee on Economic Development hearing held Apr. 24.

H.R. 5005 (Armey) (by request)

Homeland Security Act of 2002. Establishes a Department of Homeland Security. Introduced June 24, 2002, and referred to the Select Committee on Homeland Security, and, in addition, to the Committees on Agriculture, Appropriations, Armed Services, Energy and Commerce, Financial Services, Government Reform, Intelligence, International Relations, the Judiciary, Science, Transportation and Infrastructure, and Ways and Means.

S. 1149 (Graham)

Establishes a National Office for Combating Terrorism within the Executive Office of the President, with a director appointed by the President and subject to Senate confirmation. Introduced Sept. 21, 2001, and referred to the Committee on Governmental Affairs; hearing held Oct. 12.

S. 1534 (Lieberman)

Establishes a Department of National Homeland Security. Introduced Oct. 12, 2001, and referred to the Committee on Governmental Affairs; hearing held Oct. 12.

S. 2452 (Lieberman)/H.R. 4660 (Thornberry)

Establishes a Department of National Homeland Security and a National Office for Combating Terrorism within the Executive Office of the President. Introduced May 2, 2002, and referred in the Senate to the Committee on Governmental Affairs, and in the House to the Committee on Government Reform. Ordered to be reported (S.Rept. 107-175) on a 7-3 vote in the Senate on May 22.

FOR ADDITIONAL READING

Gazell, James A., ed. "The National Performance Review and Public Administration." Special issue. *International Journal of Public Administration*, v. 20, no. 1, 1997: 1-247.

Kettl, Donald F. *Reinventing Government? Appraising the National Performance Review*. Washington, Brookings Institution, 1994. 78 p.

——— *Reinventing Government: A Fifth-Year Report Card*. Washington, Brookings Institution, 1998. 71 p.

——— and John J. DiIulio, Jr., eds. *Inside the Reinvention Machine: Appraising Governmental Reform*. Washington, Brookings Institution, 1995. 198 p.

National Performance Review. Most literature may be reviewed and downloaded by consulting the NPR web site "library" at [<http://govinfo.library.unt.edu/npr/default.html>].

Office of the Vice President. *Common Sense Government Works Better & Costs Less*. Washington, U.S. Govt. Print. Off., September 1995. 158 p.

——— *From Red Tape to Results: Creating a Government That Works Better & Costs Less*. Report of the National Performance Review. Washington, U.S. Govt. Print. Off., September 1993. 168 p.

——— *From Red Tape to Results: Creating a Government That Works Better & Costs Less: Status Report*, September 1994. Report of the National Performance Review. Washington, U.S. Govt. Print. Off., September 1994. 127 p.

——— *The Best Kept Secrets In Government. A Report to President Bill Clinton*. National Performance Review. Washington, U.S. Govt. Print. Off., September 1996. 245 p.

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