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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON. DC 20510–6250

April 10, 2013

Jeffrey Zients
Acting Director
White House Office of Management and Budget
Executive Office Building
725 17th Street, NW
Washington, DC 20503

Dear Director Zients,

A little over a month into sequestration, few of the dire consequences that were forecasted have come to fruition. Still, the administration continues to claim that this minor budget reduction could put hundreds of thousands of Americans out on the street, cause thousands of teachers to lose their jobs, and cut treatments for hundreds of thousands of people with mental illness, among many other severely distorted predictions.¹

Yesterday, the Government Accountability Office (GAO) released its annual duplication report outlining <u>billions</u> of dollars that could be saved by eliminating fragmentation, overlap, and duplication among federal programs and making common-sense cost-saving reforms. For example, taxpayer dollars are funding three separate agencies to inspect catfish, 679 renewable energy initiatives, 76 drug abuse and prevention programs at 10 agencies, 19 programs to fund higher education at four agencies, and many other duplicative activities.

In all, this year's report exposes 17 new areas where the government is duplicating efforts, and another 14 areas where simple reforms could lead to huge cost-savings for taxpayers. Fixing the problems identified in the 2013 duplication report could save as much as \$95 billion.²

¹ See, e.g., http://www.whitehouse.gov/the-press-office/2013/02/08/fact-sheet-examples-how-sequester-would-impact-middle-class-families-job

² In many cases, GAO was unable to determine potential cost savings or the total cost of government duplication because the agencies do not always track how much they are spending on various programs. However, combining the savings GAO was able to estimate with an assumed 15% savings, we estimate at least \$95 billion in annual savings could be found by addressing the duplication and cost-saving measures outlined in the report.

For example, the 679 renewable energy initiatives GAO identified cost about \$15 billion alone. Worse yet, GAO found that neither the Department of Energy or the Department of Agriculture even document whether applicants for government renewable energy dollars *even need the funding*.

This is GAO's third annual report since its maiden exposé was issued in 2011. So far GAO has recommended that Congress and the executive branch take 380 specific actions to address these issues and save billions of dollars. To date, only 65 of these actions have been fully implemented. While Congress is by far the worst offender when it comes to taking action on these recommendations, there are a numerous items the administration has completely ignored.

For example, in 2008, GAO recommended the Office of Management and Budget (OMB) "develop a strategy to reduce agencies' reliance on costly leasing where ownership would result in long-term savings." To date, OMB has completely disregarded this recommendation.

With the specter of sequestration hanging over the nation, with threats to critical infrastructure and to government's most basic services, Congress and the administration should be looking for every possible opportunity to conserve taxpayer dollars. While we should be looking under every rock for ways to save, digging deep into agency budgets, the *very minimum* we should be doing is implementing the reforms that are right in front of us.

We know exactly where we can save money by eliminating fragmentation, overlap, and duplication, and it is time for the administration and each congressional committee to take action.

Sincerely,

Tom A. Coburn, M.D.

Ranking Member