COMMITTEE FUNDING

HEARING

BEFORE THE

COMMITTEE ON HOUSE ADMINISTRATION HOUSE OF REPRESENTATIVES

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, DC,
MARCH 10 AND 16, 2005

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HEARING ON COMMITTEE FUNDING

THURSDAY, MARCH 10, 2005

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC.

The committee met, pursuant to call, at 9:05 a.m., in room 1310, Longworth, The Capitol, Hon. Robert W. Ney (chairman of the committee) presiding.

Present: Representatives Ney, Millender-McDonald, Brady, and Lofgren.

Staff Present: Paul Vinovich, Staff Director; Jeff Janas, Professional Staff Member; George Shevlin, Minority Staff Director; Charles Howell, Minority Chief Counsel; Catherine Tran, Minority Professional Staff; and Matt Pinkus, Minority Professional Staff.

The CHAIRMAN. I want to welcome the distinguished chair and the ranking member, and we will go ahead and start. I have talked to our ranking member and she is on her way here now.

The purpose today of course, and I will be requesting, is to consider funding requests for the 109th Congress. We will have several panels testify before the committee today and next week as our process unfolds. I would like to outline the procedure we will follow during these hearings.

The chairman and ranking minority member of each committee will come before the committee and present their budget requests for the 109th Congress. The chairman and the ranking member will each have 5 minutes to testify. The House Administration members of course will have 5 minutes each to question the chair and ranking member if they so wish.

With that, again, I want to welcome—well, two of our members are here, and of course, Congresswoman Millender-McDonald is on her way. I have talked to the gentlelady from California.

We will start with the chairman, Mr. Hyde.

STATEMENT OF HON. HENRY J. HYDE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. HYDE. Thank you, Mr. Chairman, ladies and gentlemen of the committee, we appreciate, Mr. Lantos and I, being given the opportunity to present our budget request for the Committee on International Relations for the 109th Congress.

The workload of this committee will continue to be one of the most ambitious for any committee in the House. With threats from all corners of the world, deep and troubling problems facing people all over the globe, we will be involved in most of the major national security decisions facing our country today.

In addition to our normal legislative and oversight responsibilities, the committee will continue its rigorous oversight of the United Nations, the Oil-for-Food Program, and the handling of contracts and contracting in relation to the reconstruction projects in Iraq. We must also carry out our responsibilities in receiving foreign heads of state and other dignitaries, and provide staff support for the various parliamentary groups.

Mr. Chairman, I would like to briefly outline the two major increases in our budget request.

One, the rules of the House of Representatives adopted January 4th, 2005, authorized the Committee on International Relations to create a new subcommittee, dedicated to oversight and investigations. For the additional subcommittee, we are requesting funding for four new majority staff positions and one minority position. Salaries for this subcommittee will total $440,000 in 2005 and $490,000 in 2006. The request also includes an increase for equipment, travel, communications and other administrative expenses to establish this new subcommittee.

The second major increase in the budget proposal is for funding for a proposed House Democracy Assistance Commission that is being established at the direction of the Speaker's office. In fact, we will consider the resolution on the House floor next week establishing this commission. One of the two slots on the commission would be filled with an existing committee employee. Therefore, we are asking for only one new slot for the majority. Overall, we are asking for five new majority slots for the new subcommittee and the new commission and three new slots for the minority.

Funding for the new House committee and the House Democracy Assistance Commission represents nearly 40 percent of our requested increase for the 109th Congress. I realize this is a large increase, but I also believe it is a much needed increase to effectively perform our oversight responsibilities as requested by the leadership of the House.

It has been a pleasure working with my colleague, Tom Lantos, our very able and respected ranking democratic member. We have an excellent working relationship, perhaps the best partnership in the House, and I want to continue in that direction. Our request includes funding for three additional minority positions, which ensures my personal commitment to Tom for allocating one-third of any additional staff to the minority.

Office space is a continuing problem. At the beginning of the 108th Congress, a subcommittee was relocated from the Rayburn Building to the Ford Building, and the space was given to the Democratic staff. We have been assured by the Speaker's office that additional office space will be assigned to the committee to accommodate the staff of the new subcommittee and the Democracy Commission.

In conclusion, Mr. Chairman and members of the committee, let me stress this is a fair and responsible budget request. The Committee on International Relations has become a major player in foreign policy and the budget request will enable us to carry out the duties of a serious and successful committee.

Mr. Lantos has a statement, and following that, I will be pleased to respond to any questions you may have regarding our request.

The CHAIRMAN. Thank you. Distinguished ranking member, Mr. Lantos.

STATEMENT OF HON. TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. LANTOS. Mr. Chairman and distinguished members of the committee. I will just take a minute, because I fully support the budget proposal of our distinguished chairman and my good friend, Henry Hyde.

I just would like to emphasize, Mr. Chairman, that our committee conducts its work in an incredibly cooperative, coordinated and collegial fashion. I only wish that the spirit of the entire body would reflect what is the prevailing spirit of the International Relations Committee.

The chairman has outlined our requests. I fully support those, and I only would like to convey to you and to the members of the committee the staggering increase in the activities of this committee in recent years.

If you will allow a vignette, which historically was a Democratic anecdote, but it now can be spoken of publicly. At the height of the Monica Lewinsky scandal, we had a Democratic Caucus and President Clinton spoke to it with his usual eloquence and brilliance. Then he asked for questions. There were three microphones set up in the Caucus Room, and I got to a mike and I looked around and there were 17 people ahead of me. I listened to the 17 questions. Then it was my turn.

The President says, "Well, Tom, what is on your mind?"

And I said, "Well, Mr. President, I want to change the subject."

There was dead silence in the room. Everybody got snow white, because they thought I would change the subject to something personal. I said, "No, all 17 questions preceding me were questions relating to domestic issues. I want to raise an issue of an international nature."

You have never seen Bill Clinton more happy than when I finished my question.

Times have changed. Every major issue on the agenda, with the exception of Social Security maybe and a couple of others, is within the purview of our committee. Just the range of overseas visitors to us has become mind boggling. I spent yesterday afternoon with the Libyan Chief of Mission, the American Chamber of Commerce from Cairo, with the Chinese Ambassador who is in charge of dealing with North Korea, and every day we have a whole range of basically relevant but extracurricular activities that we cannot escape. The staff is overworked, inadequate in terms of numbers and outstanding in quality.

I strongly urge you, Mr. Chairman, and members of the committee, to respond to our bipartisan request fully, because we are carrying out national security and foreign policy responsibilities, and we need an adequate staff to do so. Thank you, sir.

The CHAIRMAN. I want to thank both of you for your testimony and also the job you do. I do have one question of the ranking member. Do you believe the two third/one-third has been reached as we have——

Mr. LANTOS. Well, I certainly do. I must say, and I have said this previously, that I believe resource allocations should be based on an accurate percentage basis, which would give the Democratic side 47 percent of the staff, the space, the working budget, but this is above my pay grade.

But in terms of Chairman Hyde's allocation, I could not be more pleased. As in everything else, he is incredibly fair and generous.

The CHAIRMAN. Thank you. I really just want to comment briefly—I don't have any questions—but the master plan, because we listened a couple of years ago, and the master plan will be complete by March of 2005 for building space. I have talked to the Architect about the space deficiencies.

I looked at the scale. It is unbelievable if you look at the 1960s, when Rayburn was built, I think in 1959—and if you look at how many people are supposed to be in these buildings versus how many people are in these buildings, we are like 7,000 people over where we should be.

Mr. LANTOS. Yes.

The CHAIRMAN. Working conditions are atrocious. And so I think, it looks at supporting staff offices, removing the underground parking, which is a significant security issue, and I am hoping that this is implemented soon, because it will take about 5 or 6 years, if it is implemented tomorrow, to get done. I think we owe it, whether we are going to be here in 7 or 8 years, to future staff of the House, to improve the working conditions. A lot of good people do things, and I think that they have to have good working conditions.

But, again, I appreciate both of you, your working relationship, the allocation of the two-thirds/one-third.

Also let me say something, yesterday we also had the Afghan women right here in this room. They came here from Afghanistan. The amount of increased international activity, as you indicated in the Chair, is unbelievable, because as you know, we are about what is going on in the world.

I have traveled with both of you, I have seen some significant things you have been able to do, through meetings. I remember one time an editorial 6 years ago quoted me because I said international relations is not the exclusive right of any President, there is a Congress out there. They praised me in the newspaper and then, of course, attacked all of us for traveling in that same paper later.

But I think it is important. I have seen things change. I have traveled again on some important trips with both of you, and so I think that the role that you do is important and you need to be able to have the resources.

I really have no questions, but I want to thank both of you and our gentlelady. Our ranking member is here.

Ms. MILLENDER-MCDONALD. Good morning, good morning to you, Mr. Chairman, and to the ranking member. It is great to see both of you. I shan't say that you don't get along, because you get along quite well.

But the one thing that I am interested in and want to be assured of is that the formula that our leader here, the chairman has laid out, is the two-thirds/one-third in terms of your allocation of budget, and just want to make sure that you are satisfied, Mr. Ranking

Member, with that concept and with that formula, and that you are given the autonomy to get equipment if so needed and those other things that are pertinent to your well-being.

Mr. LANTOS. Madam Ranking Member, let me just say, as I indicated a bit earlier, I really have two answers. Chairman Hyde's allocation of staff and resources on a two-thirds/one-third basis could not be more fair and equitable and gracious. The overall issue of whether resources should be so allocated I have serious doubts about. We have 47 percent of the membership of this body and a strong case can be made, which I am ready to make at the drop of a hat, that we should get 47 percent of the resources. But that is above my pay grade.

Ms. MILLENDER-MCDONALD. Well, okay, then, so in essence, given the venue that you have just outlined, other than that you are pretty much satisfied with that?

Mr. LANTOS. I could not be more happy with the working relationship that both the chairman and I have and our respective staffs have.

Ms. MILLENDER-MCDONALD. Very good. I really do agree with you, because when I have come before each of you I do like the respectability that you share between each other and how you have worked very collegially in terms of trying to find the common ground.

So, Mr. Chairman, I would also like to commend you in your leadership in ensuring that we have that two-thirds/one-third allocation between the two chairmen and ranking members of these two committees so we can be about the business of providing the leadership and the services to the committees that they represent.

So thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Questions? The gentlelady.

Ms. LOFGREN. Since I am brand new I am going to ask a question. I certainly would not disrupt what has been recommended here, because obviously the chairman and ranking member agree, so maybe this is really about the whole process that we are in. It is my understanding, and I guess it is a question, not a statement, that the general rule is that the minority has a third of the slots, a third of the budget, control over their third?

Ms. MILLENDER-MCDONALD. Yes.

Ms. LOFGREN. And then the chairman and ranking member can arrange to do something different if it works better for them; is that generally the rule?

The CHAIRMAN. That is the policy.

Ms. LOFGREN. Okay. All right.

The CHAIRMAN. There is no actual rule in the House that it has to be done.

Ms. LOFGREN. But that is our operating system.

The CHAIRMAN. If I could take a second, if the gentlelady would yield. When Bill Thomas became chairman of the House Administration and Steny Hoyer was the ranking member, they tried to achieve two-thirds/one-third. Bill Thomas did it. He gave Mr. Hoyer, as we do to this day, one-third and said here is your allocation. Some committees that shared staff, Ethics and others, had more trouble because they shared staff.

Ms. LOFGREN. Right.

The CHAIRMAN. They achieved most of the two-thirds/one-third, but there was not a complete achievement of the process. When I became chairman, we talked to the Speaker, Bill Thomas. They wanted to really get this done with Steny Hoyer. So when Steny was chair, we made a huge effort and Steny and I, actually sat with a couple of members, ranking members, we got down to about two committees where we finally made some decisions and we got to what we felt was the two-thirds/one-third and then it continued under Mr. Larson.

Ms. LOFGREN. The rationale is that the majority—it is obviously not two-thirds/one-third in the House but the majority has to do kind of additional clerical work and administrative burden and that that justifies?

The CHAIRMAN. It was something that Mr. Thomas—I will tell you in all fairness I wasn't here in the minority, but I will tell you that we have the stats. When the Democrats controlled the Congress, some of the minority received 9 percent of the budget, 10 percent of the budget in worst circumstances. So I do need to raise that issue.

Ms. LOFGREN. Well, I wasn't here then.

The CHAIRMAN. No, this is not directed—I just want to tell the history of before my time here.

Ms. LOFGREN. I am just trying to figure out what the rules are.

The CHAIRMAN. That is what we tried to do.

Ms. LOFGREN. I am sorry to take the committee's time, because they have come up with their own agreement. Obviously, we will accept what they have agreed to. I wanted to know what the parameters were for all the committees, and I thank the Chairman.

The CHAIRMAN. Other questions? With that, I want to thank both the Chair and the ranking member for your work in the House and your time today.

Mr. LANTOS. Thank you very much.

Mr. HYDE. Thank you.

The CHAIRMAN. Next we have the Chair of the Judiciary Committee, Mr. Sensenbrenner, and Mr. Conyers, the ranking member, and we will start with the Chair of the Judiciary Committee.

STATEMENT OF HON. F. JAMES SENSENBRENNER, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

Mr. SENSENBRENNER. Thank you very much, Mr. Chairman and Madam Ranking Member. As the previous committee was leaving they said go get them. This is your chance to go get us, and I hope that is not going to be the case.

But I am pleased to appear before you today to present my third budget request as chairman of the Judiciary Committee. I have a lengthy prepared statement that I would like to submit in full for the record, but I would like to briefly mention some of the elements that I believe are important for this committee to consider.

As you know, the Judiciary Committee is quite active and is frequently called upon by the leadership to consider complicated and controversial legislation. The workload and proven production of the Judiciary Committee are unrivaled among other House committees. However, during the past Congress, we ranked seventh in

committee budget allocations. I anticipate that the frenetic legislative pace will continue, as evidenced by the early floor activity this year of the REAL ID and Class Action legislation. We plan to mark up the bankruptcy bill next week, should the Senate pass it.

In order to keep up with the pace and continue to address complex areas of law while maintaining oversight of the Executive Branch agency and important laws such as the PATRIOT Act, we simply need more resources.

Considering our workload, the number of members and the fact that almost all of our professional staff are attorneys and thus command higher than average salaries, I believe that a significant increase in our budget is justified. Consequently, the proposal before you today represents $18.26 million to meet the needs of the committee over the next 2 years, which is a 30 percent increase over the last Congress.

Let me explain. The budget contains an increase of nine new permanent staff slots, six for the majority and three for the minority. Two of these new staff slots would be allocated for a majority and minority law clerk. The backbone of the Judiciary Committee's effective approach in the 108th Congress was its highly qualified staff, which can only be retained if offered salaries which are competitive with the private sector. I really want to emphasize this, because if you expect the committee to do the job that it has to do and to file lengthy and complicated committee reports on a complicated legislation like the bankruptcy bill, we need to prevent our experienced staff from jumping over to the private sector because we can't pay them enough.

The equipment line item in this budget request includes the purchase of additional BlackBerries, computers, software and printers to accommodate the needs of current staff, as well as any additional staff and to support our continuity of operations plan. We also intend to replace outdated equipment in each calendar year to keep our systems and equipment current and in compliance with the House minimum standards of operation.

The committee launched a new website last fall, which is providing Members and the public alike improved access to information, and we have budgeted additional funds in this category for further enhancements to the website.

In addition to live webcast access, we have budgeted funds and we will continue to provide access to webcast archives of hearings to continue our goal of giving taxpayers an opportunity to view hearings on demand and to become more participative in the legislative process.

In order to move aggressively to perform our oversight mandate, we have also developed, in coordination with an outside vendor, an oversight tracking system, which will help us manage our extensive oversight agenda. We have budgeted in this request for additional development, user licenses and monthly maintenance.

Finally, the committee has carefully considered the potential for unforeseen disasters and have purchased some equipment for disaster recovery purposes.

This budget submission allows for additional purchases and maintenance of this equipment.

This resolution will maintain a one-third minority, two-thirds majority division, with respect to salaries and staff slots, adjusting for the seven nonpartisan administrative positions.

For the benefit of the minority members of this committee, let me say that we have a total staff allocation—there are seven positions that are purely administrative in nature, such as certifying the payroll, doing the accounting, getting our records printed at the GPO. We take those seven positions off the top, and the remainder are divided two-thirds/one-third.

In closing, I appreciate the spirit of cooperation which Ranking Member Conyers has demonstrated. In the last Congress, I believe, we met almost all of the minority's requests concerning necessary equipment, travel and the addition of new office space. I hope he agrees that the minority has been treated with fairness in matters of committee administration and funding.

I appreciate your attention to this request and would be happy to answer questions.

The CHAIRMAN. I want to thank the gentleman, I thank the Chairman. The ranking member, Mr. Conyers.

STATEMENT OF HON. JOHN CONYERS, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. CONYERS. Good morning, Mr. Chairman. I am delighted to be before you and my friend, Ms. Millender-McDonald and Zoe Lofgren now, who I didn't know was on this subcommittee before now.

This is an important event for us because this joint budget request, which has been carefully worked out between the chairman and myself, I think demonstrates that your Committee on the Judiciary has been—it seems to be working more and more, our legislative load is getting larger.

We just lost a professional staffer, a lawyer last week, because we didn't have a budget, and we couldn't assure him of anything. Unfortunately, with five children, he regretfully took his leave, just to back up what Mr. Sensenbrenner had been referring to.

As you know, you see us on the floor every week. If a week goes by and the Judiciary Committee hasn't been up once or twice or more, it is usually a surprise. The complexity and the number of issues is quite challenging, and I want to say on behalf of Chairman Sensenbrenner that our request is quite measured in terms of how we might increase our resources and our staffing.

The Class Action bill, now the Bankruptcy bill, the PATRIOT Act is going to be back up, the Voting Rights Act has two sections that are expiring. We have sentencing guidelines, since the Supreme Court has acted to reconsider new matters concerning science and criminal law. Plus, our old standbys of antitrust, administrative law, the Federal court system itself and immigration claims and constitutional amendments.

So what I merely want to do—and I have a longer statement that I ask be included in the record——

The CHAIRMAN. Without objection.

Mr. CONYERS [continuing]. Is that I wanted to underscore the cooperative spirit that has formed our relationship across the years

and the need for the reasonable adjustments that have been put forward by Chairman Sensenbrenner.

It is good to see all of you again, and I close with this observation. It was under Chairman Ney that this Judiciary Committee was able to make real progress and move forward to the kind of spirit that I think forms the committee on both sides at this present moment, and I thank you very much for this opportunity.

[The statement of Mr. Conyers follows:]

STATEMENT OF HON. JOHN CONYERS, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

March 10, 2005
9:20 AM, 1310 Longworth

Good morning, Chairman Ney and Ranking Member Millender McDonald. I am delighted to be here with Chairman Sensenbrenner to support our joint budget request.

Chairman Sensenbrenner and I have been quite busy over the last two years, and I expect us to be even busier this Congress.

The first major bill dealt considered by the House was the REAL ID Act. This is a very complex and difficult area of immigration law, and involved and continues to involve significant Committee resources.

The second major bill dealt with in the House was the Class Action bill. Again, this bill involved a lot of staff time and resources, and I'm sure the oversight responsibilities for the new law will be significant as well.

Next up is the bankruptcy bill. This is a several hundred page bill that effects every sector of our economy. Bankruptcy is one of the most difficult areas of federal law, and both the majority and the minority have devoted very significant resources toward this matter.

The list of items that will go through our committee this Congress is quite extensive. We have the renewal of important sections of the PATRIOT Act, which will necessitate numerous hearings. Important portions of the Voting Rights Act sunset in 2007, and we need to document any extension with a broad and comprehensive legislative record, which we need to initiate this Congress.

I expect our Committee to take up numerous civil justice measures, including medical malpractice and asbestos. The Supreme Court just threw

out the sentencing guidelines, which may well necessitate legislative intervention as well. In addition, in recent years we have been forced to confront new matters concerning science and criminal law, such as cloning and assisted suicide. We also have jurisdiction over the issue of piracy over the Internet. Again, this problem did not even exist until recently, and is taking up more and more of our committee's time and energy.

All of these hot button issues are over and above the ordinary subjects of our jurisdiction, including crime, antitrust, administrative law, the courts, reproductive rights, civil rights, immigration and claims, and constitutional amendments and the oversight of the Department of Justice itself.

It is for all of these reasons that we need new staff. The public debate on these questions are seminal. The Chairman and I pride ourselves on our work, and we just simply need more people to help continue the tradition of excellence that the committee has enjoyed over the years.

Thank you very much for this opportunity to testify, and I would be pleased to answer any questions you might have.

The CHAIRMAN. I want to thank both gentlemen. I want to ask the ranking member, because 2 years ago you came here and the chairman was here, and the two-thirds/one-third is working?

Mr. SENSENBRENNER. Yes.

Mr. CONYERS. It is working. We don't have enough of it to work with, but it is working.

The CHAIRMAN. Money, in other words. You may not always agree on every piece of legislation, but you agree on this. That is understandable. I appreciate that.

The gentlelady.

Ms. MILLENDER-MCDONALD. Thank you so much, Mr. Chairman. I couldn't agree with you more that when professional staff does not seem to—salaries do not seem to come to the benchmark of those in the private sector, you will certainly lose those types of people. So I couldn't agree with you more.

I wanted the chairman to recognize, though, that while he spoke about the Democrats when they were in the majority, how they really didn't get but about 9 percent of the budget. I would also like to have him recognize that once the Newt Gingrich group came into the majority, they slashed everything. So this is why these poor chairman are now trying to reel back to try to get some of that money that was slashed when the new majority wanted to prove that they would slash budgets.

Mr. Sensenbrenner, given that you are talking about outdated equipment, and you certainly need that, and it is no doubt that the Judiciary Committee will be confronted with a lot of those things that have been outlined by both you and the ranking member, does the minority—who orders your equipment? Do you do that solely or does the minority have the opportunity to buy their equipment?

Mr. SENSENBRENNER. Yes. We do this in house in ordering the equipment, but we do it in consultation with the minority. The minority gets approximately a third of the equipment budget to help their staff do their job. I do not recall Mr. Conyers and I ever having a problem in determining the allocation of equipment.

What we try to do is we try to have a rotation plan so that the oldest equipment gets replaced so that we can take advantage of advances in technology and thus increase the productivity of the committee and its staff. But, again, I haven't heard any complaints from Mr. Conyers, nor do I anticipate any.

Ms. MILLENDER-MCDONALD. So given that he does receive one-third of the budget for—one-third of his budget for equipment, he does not have the total autonomy to purchase anything without consultation with you; is that correct?

Mr. SENSENBRENNER. Well, the House rules require that the vendor orders be signed by the chairman.

Ms. MILLENDER-MCDONALD. Yes.

Mr. SENSENBRENNER. Thus, Mr. Conyers has to make a request, and those requests are within the two-thirds/one-third allocation. You know, we do share a lot of equipment as well, so that we don't have an unnecessary duplication of equipment. But the proprietary work that is being done is on equipment that is secured on each side of the aisle.

Mr. CONYERS. Madam Ranking Member, can I point out that we really come up with a unified budget on equipment? I have never—

maybe my chief of staff can remember something different. But I have never had any problem about equipment.

Ms. MILLENDER-MCDONALD. Okay.

Mr. CONYERS. Our resources frequently are mutually shared, as well as our space for that matter, and I want to just second everything that the chairman has made in reference to your question.

Ms. MILLENDER-MCDONALD. So, in other words, there is collegiality when it comes to the requests for equipment and supplies and that type of thing?

Mr. CONYERS. Absolutely. It is personnel that haunts us, to me in the Judiciary Committee, if I might just tell you candidly. We have so many assignments out and so many things coming up that we are rather stretched. It is the resources, but it is mostly staff that is the thrust of our requests this morning, ma'am.

Ms. MILLENDER-MCDONALD. Mr. Chairman, then if by some means—I see here that your request is for 30 percent increase of your budget, which is an average of 9.9 percent. But in the event, because it doesn't mean that you are going to get it, it is just that this is your request and of course we have got to look at all of the committees. But in the event your committee budget is cut, will you still be prone to ensure that the minority gets his one-third of that budget irrespective of it?

Mr. SENSENBRENNER. Absolutely. I would point out that even before this committee issued the edict in 2001 on the two-thirds/one-third split I offered Mr. Conyers more staff than my predecessor, Mr. Hyde, offered him during the 6 years that Mr. Hyde was the chairman of the committee.

You know, if Mr. Conyers does not have the staff and the equipment that is necessary, then there simply is a delay in processing paperwork in order to present the legislation to the floor. While we have got a lot of contentious issues in the committee, we have also got a lot of things that we agree on, particularly in the area of intellectual property rights protection. But we want to make sure that the paperwork is there so that there is appropriate legislative history, so that when these laws get interpreted in the courts the courts can refer to exactly what was going on.

I will give you a case in point. The Bankruptcy bill will be marked up next week. The Senate did not file a committee report on the Bankruptcy bill. We have dissenting views with those who disagreed with it. Last year the committee reported that the House Judiciary report filed on the Bankruptcy bill was 450 pages long. Now, without staff you are not going to be able to write what amounts to a medium-sized book, which will be used by the bankruptcy bar and the bankruptcy judges to determine exactly what we mean if the bill becomes law. That is the type of professionalism that I think we need.

Ms. MILLENDER-MCDONALD. Absolutely.

Mr. SENSENBRENNER. Particularly with this committee, which——

Ms. MILLENDER-MCDONALD. Absolutely.

Mr. SENSENBRENNER [continuing]. Which deals with highly technical issues.

Ms. MILLENDER-MCDONALD. I couldn't agree with you more. I certainly do know that this committee needs professional staff,

both at the legal level and all others, technical level, so that you can ensure that you have proper staffing. I just want to be ensured that when we talk about professional staff that both you and the ranking member will be adequately served by that.

Mr. SENSENBRENNER. Thank you.

Ms. MILLENDER-MCDONALD. I thank you so much. Mr. Chairman, thank you.

The CHAIRMAN. Question?

Ms. LOFGREN. Just a quick comment and then maybe a question of Mr. Conyers. As a member of the Judiciary Committee now for 10 years, I can attest to the fact that the workload is very large, and it is my very firm belief that there is not an excess of staff on the committee. I mean, it is a huge amount of the work of the Congress that goes through the Judiciary Committee. So I do believe that an increase in the budget for this committee is certainly soundly based in the workload.

But having said that, my understanding of the policy of the Congress at this point is that each committee, the minority gets one-third of the slots, one-third of the budget and control over their one-third of the budget. Then chairman and ranking members are free to vary that by agreement, but that is basically what the minority is entitled to.

You have varied that by sharing staff and therefore getting less than your full allotment. You are not fully controlling your budget, as you are entitled to, but you are also free to come up with a different agreement. So you are satisfied with the deal that you and the chairman have established?

Mr. CONYERS. I am quite satisfied with it, Ms. Lofgren. I just want to emphasize that it is a marked improvement over—and Chairman Hyde and I were and are still very good friends, but the resources and the allocation of staff and office space, I might add, have all improved under the relationship——

Ms. LOFGREN. The space was something that I wanted to raise, because the space for the minority is terrible. I am wondering if there is any discussion under way between yourself and the chairman about the space that is available for the minority, not only the staff but also members who have to slip out. It is really a constraint.

Mr. CONYERS. We just got some space in Rayburn, I have just been advised, and we have a library next to our office space.

Ms. LOFGREN. That is not always available.

Mr. CONYERS. I will tell you the story of Jack Brooks, who was assigned by Mr. Rayburn, who was then the Speaker, when they were building these buildings how large to make the majority and how large to make the minority offices. It was done under the assumption that Democrats would never be in the minority.

Ms. LOFGREN. Well, I think Mr. Brooks got his reward for that decision, and certainly that is not behavior that I would like to emulate. But I appreciate that additional staff has been made available.

I yield back, unless the chairman would like to say something.

Mr. SENSENBRENNER. Ms. Lofgren, let me say that we have been attempting to get more office space. The problem is not the allocation between the majority and minority staff, the problem is getting

the office space from the Speaker or whomever assigns the office space, so that we can have enough space to have our people adequately do their job. We need more office space as well. If this committee can help us get more office space as a full committee, the minority will get more space to put their people as well.

Ms. LOFGREN. Thank you, Mr. Chair.

The CHAIRMAN. Mr. Brady, a question?

Just one quick comment, and we did this with the last chairman. We have got this office plan, we have been pushing this. In a lot of cases there is no space. You know, we have more staff on the majority side than the minority, but even here, because we do have more people, I gave up my office and we put up three people in it. I give up another office, and we put two or three people in it.

I have been pushing this and I would hope that the Speaker and Leader Pelosi would be able to have a meeting of the minds—and I know their staff is working towards it, to have some type of decent conditions.

If you look at the charts from the Architect of the Capitol, this building was not designed—these buildings are holding 7,000 more people than they were ever designed for. It is not good working conditions, it is not healthy, and that is the only way we are going to alleviate this. In a lot of places Chairs will call ranking members and there is no place to put people, period, unless you take them over to Ford and that is all cramped.

I want to say something internally, we dealt with the committee, both the minority staff and the majority staff of your committees call, they share ideas, what they want to do, you know, or equipment, and I know it is also really good on detailees for both of you. You followed all the ways to process things, and working in turn with both of your staffs has been very good for us.

Mr. SENSENBRENNER. Thank you.

Mr. CONYERS. Thank you very much.

The CHAIRMAN. Next we move on to the Budget.

Thank you. We start with the Chair and ranking member, Mr. Nussle.

STATEMENT OF HON. JIM NUSSLE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA

Mr. NUSSLE. Thank you, Mr. Chairman and Ranking Colleagues, for the opportunity to come before the House Administration Committee and submit our budget request. I have submitted testimony that I would like part of the record.

For the 109th Congress the Budget Committee is requesting the same allocation for 2005 and 2006 as we had for 2004. We are asking for a budget freeze. Since the committee's budget increased by inflation between the first and second session of the last Congress, our request is technically from one Congress to another—about a 1.3 percent increase is what we are asking for.

While I can argue like I am sure many people have and will for additional funds as any chairman can, I really can't justify a larger increase at the time when our Budget Committee last night reported out a pretty tight budget. We are asking all Federal Government and agencies to tighten their belts. I think we ought to lead by example.

On an account level our personnel costs in the last Congress were less than anticipated because of delays in filling several majority staff vacancies. These vacancies were recently filled with experienced staff from the Executive Branch and other areas. Our personnel costs will accordingly increase.

Nevertheless, the request should provide adequate funding for staff and staff salary for the 109th Congress. Our funding levels in the categories of detailees and consultants remained unchanged in the last two Congresses.

As with our funding request for the 107th and 108th Congresses, this request does not assume any funding for detailees from the Executive Branch or outside consultants.

Additionally, our travel expenses were less than anticipated, and consequently our request in that category reflects a reduction for funding levels from the 108th Congress.

Mr. Spratt and I were just visiting about that, and he may want to mention this as well. But if we do need to do field hearings of some sort in the future, we may need to come back and talk to you about that. But at this point in time, it is a pretty rare occurrence that the Budget Committee goes out into the field. Most of the time that happens here.

Our equipment needs will not be as great in the 109th because we have put a disaster recovery system in place and have already, as I previously mentioned, completed upgrades to our hearing room. We thank you for your assistance in making sure that was possible.

Therefore our focus will be on software upgrades, an annual one-third upgrade of computers, printers and other equipment.

Obviously, in preparing these funding requests, Mr. Spratt and the minority have been consulted to determine their budgetary needs. My practice, as has been requested by this committee and is the practice of our committee, is to provide the minority with a third of the total budget for personnel. This translates into providing the minority a third of the available staff positions as well as the line item for personnel compensation, and additionally it is my policy to upgrade one-third of the minority's equipment each year as well.

To the best of my knowledge, I have attempted to accommodate all requests from the minority within our available resources. We also share our space, as much as it is again possible.

I would be happy to answer any questions. But before I do, let me just say thank you. This committee has provided us with everything we have needed that I am aware of. You have done a great job in helping us upgrade our committee. Obviously everyone has many requests to make, but we want to thank you for the things you have done to help us be on the cutting edge of delivering a quality product, and so thank you for that.

The CHAIRMAN. Thank you. I thank the gentleman for his comments.

Mr. Spratt.

STATEMENT OF HON. JOHN M. SPRATT, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH CAROLINA

Mr. SPRATT. Thank you, Mr. Chairman. Let me echo everything that Chairman Nussle just said, and Ranking Member Millender-McDonald. We have a tight budget but we can live within it, and I think frankly the example we should set as the Budget Committee is one of squeezing your resources to the maximum. The lion's share of what we get goes to personnel, and as the chairman has indicated, a third of the personnel account comes to us, and that arrangement has worked very well for us. We could use a few extra people, but the fact of the matter is we don't have the space for them.

We were in the luxurious quarters known as the O'Neill Building, I think it used to be a Howard Johnson's Motel. We could at least say to every staff member, you get your own bathroom, you even get your own bathtub. Most of the tubs got converted to file space but nevertheless that building was torn down and we were orphans looking for space.

I want to commend the House Administration because you found us space in the basement of Cannon. We shoehorned into it, but given the available square footage, I think your folks did a superb job in trying to accommodate our needs for about 13 different staff members, but we are maxed out in that space down there. We would like to get an additional person. We would like to have a few of the people who are sitting in each other's laps an opportunity to find some additional space. So if anything comes open down there, that would be my one request, which doesn't cost direct dollars, that if we could have a little bit of additional breathing room it would be a boon to us.

I mentioned to the chairman before we started that as I looked down at the budget and saw that there was only $10,500 for travel, that if the Budget Committee ever did what we did in the 1980s and before, and that is go on the road and hold regional hearings as to the input from the public and budget request and what should be done, we wouldn't have nearly enough money to do that. We are not asking for it now but we would ask you to leave a placeholder. If we ever decide to do that, we might like to come back and ask you.

Otherwise I am satisfied with the budget, pleased with the relationship we have with the majority, and it is working well on our committee.

The CHAIRMAN. I want to thank you. Again, internally, working with our staff holders, working with both your staffs has been no problem, things went smooth.

I also want to thank Mr. Nussle too. Thank you for your comments, but also during the anthrax—House Administration operated out of—you squeezed us into your quarters being so gracious. That is how we operated when the anthrax occurred here and we all had to vacate this building. So we appreciate the ability to work with you.

Only question that I have, you are okay with the two-thirds/one-third allocation then?

Mr. SPRATT. Yes.

The CHAIRMAN. Thanks, I want to thank both of you.

Ms. MILLENDER-MCDONALD. Thank you very much. Good morning to both of you. And it is good to hear anyone who is dealing with money say that they want reductions in terms of your travel. I think that is very admirable. And I do understand that you still want to hold that spot, though, just in case you might go off to more field hearings.

Space is at a premium around here. My goodness, everyone has come to talk about the need for more space, so you are certainly with good company in requesting that. The chairman has been very open to finding the space as we find it ourselves; even House Administration needs more space.

I just wanted to emphasize, though, to the minority, the chairman did say that you have—or do you have control over nonpersonnel items like equipment?

Mr. SPRATT. No, we don't. But the chairman said that he tries to see to it that we have a third of the equipment allowance. I think he has a better printmaker; he makes better posters than we do. I think he has got the most sophisticated system in the world, but ours works fine.

Ms. MILLENDER-MCDONALD. Okay, fine. So you are satisfied with the ratio that you get with reference to his ability to reach out to you for any equipment or any other incidentals that you would need?

Mr. SPRATT. We have been, yes, ma'am.

Ms. MILLENDER-MCDONALD. Very good.

Thank you, Mr. Chairman.

The CHAIRMAN. Any other questions? The gentlelady.

Ms. LOFGREN. If I am understanding the testimony correctly, the minority—and this may be true of the majority, too, I don't know—has not actually been able to utilize its full salary allotment because of lack of space to put the people; is that correct?

Mr. NUSSLE. I mean, part of it is just the slots, if I could—part of it is just obviously—and we have this in our personal offices, too, that when somebody leaves and you replace them, maybe the salary is lower, maybe there is a gap at the time.

I think that is probably more to the case than not having—well, I am just speaking for myself. That may not be the case with Mr. Spratt, but in our instance, it is just the transition that goes on when staff turns over.

Ms. LOFGREN. Is that true on the minority side as well?

Mr. SPRATT. What we used to do was have associate members, that is, staff who were employees of Budget Committee members, like the Appropriations Committee.

That creates two problems. The main problem, as the chairman just said, is the slot problem, the number of available slots. So to free up a few extra slots, we abandoned that practice for a prospectus for associate staff, and it has worked pretty well and has freed up moneys so we can upgrade our staff and upgrade their salaries and also add a couple of people.

So we sort of did it in our allowance and constructively——

Ms. LOFGREN. So you don't share staff at all?

Mr. SPRATT. We don't have the space; I don't know where we would put the person. We have got—as you walk in the door to our cubbyhole in the basement of Cannon, we have got two people, and

divided between the two of them they are practically in each other's lap.

Ms. LOFGREN. I should go visit that, look at it.

But you are satisfied, given the constraint that we have—and we are moving to get additional space, I understand. I thank you, Mr. Chairman; this is an education.

Mr. NUSSLE. And I will just say, for the purposes of my chairmanship more than anything else, I have tried to adopt the attitude of do unto others, because you never know when that is going to be your space. And I have really—I have tried to follow that practice.

And my only point in saying it is that I have been down to their space, I was just down there the other night; and I know what Mr. Spratt is talking about, and it is difficult. I know the challenges that they had, and I can't believe this is an improvement, but that is what he is saying. I was never over to the O'Neill Building to see their space at that point; but it is an issue we do have to grapple with, no question.

The CHAIRMAN. Again, the space issue is, you know, for 4 years we have been harping about it, and I mean, something needs to be done because the space issue is terrible, and we are just running out of places. I have seen literally some of the closets here being converted to small rooms for people here. I just think it is a major problem.

We try—for example, members of the House Administration Committee, if they want to use these rooms or our conference room, they are welcome to do it. We try to do those kinds of things, and I think a lot of people do that, but overall it is out of space. And, you know, trying to get a room sometimes just for a meeting in this building, and we get—people call us every day for it.

So it is a real problem, and it has got to be addressed. So the sooner we start, the better off we are going to be for people down the road.

Or the alternative is, you cut back. And with the Internet today, you know, more people than ever before are calling into offices and seeking information. It creates more work, and when it creates more work, you need more staff; you have to put them somewhere.

I would say, honestly, in the corporate world if spaces were like this, there would be outright rebellions in offices.

Mr. SPRATT. Mr. Chairman, could I say thank you, and thank Mr. Nussle for one major change you have made in our facilities, and that is in the audiovisual equipment we have, the screens and the other things we have in the room. It has made a huge difference in the manner in which we hold hearings and portray the budget situation to the public and to the press. I think it has been a plus, a big plus, and something you should do in every committee room, even those who don't come ask for it, like the Armed Services Committee. I think it would be a great thing for us to have in the Armed Services Committee.

The CHAIRMAN. Thank you. And I will thank both the gentlemen. Thank you.

The committee will recess and we will take the vote and come back to Financial Services. Thank you.

Ms. LOFGREN. Mr. Chairman, we have our new Member from California being sworn in right after the vote, so we have to walk down with him.

The CHAIRMAN. We will go to the recess and then swear in the new Member, and then we will come back. Thanks for pointing that out.

[Recess.]

Mr. CHAIRMAN. We will go ahead and restart with Chairman Oxley. And when Mr. Frank comes, we will catch up with him.

It is a pleasure to have our distinguished Buckeye Chairman, Mr. Oxley, chairman of the Financial Services Committee. We will begin with the Chair.

STATEMENT OF HON. MICHAEL G. OXLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. OXLEY. Thank you, Mr. Chairman, Ranking Member Millender-McDonald, and members of the committee.

I appreciate, as always, coming back before your committee. I do have an Ohio State lapel pin on from the Ohio State University alumni breakfast this morning. Our good friend and colleague, Ralph Regula, was a keynote speaker. We can't be too far behind, I think we go by seniority.

Thanks for having this hearing today. I am before the committee as chairman of the Committee on Financial Services.

Four years ago this committee chose to make an investment in the Financial Services Committee, and I believe that the Financial Services Committee has given the House and the American taxpayers an excellent return on that investment.

When America needed new tools to fight the flow of terrorist money, the Financial Services Committee delivered with anti-money-laundering legislation as part of the PATRIOT Act. When we discovered Wall Street professionals who put greed first and investors last, it was our committee that held the first hearings and responded with the first legislation. And when the economy suffered because insurers were afraid to write terrorism insurance, we responded with legislation to ensure that building and development could continue.

That record of accomplishment continued in the last Congress as the committee acted with legislation to protect investors of all stripes and to promote trade in financial services, protect consumers against fraud through a modern credit and payment system, and to deliver on the American dream of home ownership.

We still have a great deal of work to do on restoring the confidence of the Nation's investors, modernizing our financial institutions, and promoting economic growth; and I am appearing before you today to ask that you continue your investment in the work of the Financial Services Committee.

The committee on Financial Services is requesting $16.1 million in budget authority for the 109th Congress, approximately $7.8 million in 2005 and $8.3 million in 2006, 86 percent of which is for personnel compensation. This request is less than we asked for in the last Congress. It is the right number that will provide the committee with the resources needed to get the job done.

As I pointed out in my written testimony, the Financial Services Committee is near the bottom rung when we compare the size and resources of committees. I know the chairman appreciates that, having been a distinguished member. For instance, the Transportation Committee got a budget of more than $2.7 million more than Financial Services; that works out to nearly $24,000 more per member, and our work is just as important. We need the resources to do the job.

With this funding request we can continue our investments in technology and infrastructure to serve the House and the public. We face a particularly tough competition in obtaining the experts we need, because we compete with both the administration and for the jobs on Wall Street and the private sector.

Also, I want to take this opportunity to thank the Ranking Member, Mr. Frank, with whom I have enjoyed a good working relationship, and I look forward to continuing that working relationship in the future. To that end, the minority will control its budget, which will be one-third of the committee funds and staff slots allocated to the committee.

Mr. Chairman and members of the committee, I want to thank you. We have done well over the past 4 years with the resources before us, and we will continue to do even better.

I thank you, Mr. Chairman; I stand ready to answer any questions you may have.

[The statement of Mr. Oxley follows:]

U.S. House of Representatives
Committee on Financial Services

Statement of the Honorable Michael G. Oxley, Chairman
Committee on Financial Services

Before the Committee on House Administration

Funding Request of the
Committee on Financial Services
For the 109th Congress

March 10, 2005

Statement of the Honorable Michael G. Oxley, Chairman Committee on Financial Services

Before the Committee on House Administration Funding Request of the Committee on Financial Services for the 109th Congress

March 10, 2005

Thank you Mr. Chairman, Ms. Millender-McDonald, and members of the Committee. I am pleased to appear before you today as the Chairman of the Committee on Financial Services. When I appeared before you four years ago, it was as the Chairman of a newly created and as yet untested committee. That first Congress was unlike any other — we were forced to respond to terrorist attacks, widespread problems with corporate misdeeds on Wall Street, and an economic downturn. When America needed new tools to fight the flow of terrorist money, the Financial Services Committee delivered with anti-money laundering legislation. When we discovered Wall Street professionals who put greed first and investors last, it was my Committee that held the first hearings and responded with the first legislation. And when the economy suffered because insurers were afraid to write terrorism insurance, we responded with legislation to ensure that building and development could continue.

That record of accomplishment continued in the 108th Congress. The Committee acted with legislation to protect investors of all stripes, promote trade in financial services, protect consumers against fraud through a modern credit and payment system, and deliver on the American Dream of Homeownership.

We still have a great deal of work to do on restoring the confidence of the Nation's investors, modernizing our financial institutions, and promoting economic growth, and I am appearing before you today to ask that you continue your investment in the work of the Financial Services Committee.

The Committee on Financial Services' Budget Request

The Committee on Financial Services is requesting $16.1 million in budget authority for the 109th Congress, approximately $7.8 million in 2005 and $8.3 million in 2006, 86% of which is for personnel compensation.

As I explain below, I believe that this is a fair request, and one that will enable this new Committee to continue to serve its members, the House, and the public.

The Committee Still Lacks Sufficient Resources for its Membership

My Committee is the second largest committee in Congress with 70 members. While the Committee's funding in the 108th Congress represented an increase over the funding for the Committee in the 107th Congress, we still lag behind other committees when

compared on a resources per member basis. As you can see from the attached chart, the Committee on Financial Services is toward the bottom of the list, lagging behind a number of other committees with comparable workloads and memberships.

Chart 1: 108th Congress Committee Resources Per Member

Committee	108th Allocation	# of Members	Resources Per Member
Government Reform	$19,614,435	44	$ 445,782.61
Rules	$5,669,311	13	$ 436,100.85
Permanent Select Intelligence	$7,809,730	20	$ 390,486.50
Ways and Means	$15,976,288	41	$ 389,665.56
Judiciary	$14,048,616	37	$ 379,692.32
Energy & Commerce	$18,622,138	57	$ 326,704.18
Standards	$3,071,250	10	$ 307,125.00
Education & Workforce	$14,673,371	49	$ 299,456.55
International Relations	$14,552,695	49	$ 296,993.78
Budget	$11,869,572	43	$ 276,036.56
Resources	$13,509,424	52	$ 259,796.62
Science	$11,690,845	47	$ 248,741.38
Transportation	$16,461,893	75	$ 219,491.91
Agriculture	$10,327,531	51	$ 202,500.61
Financial Services	$13,696,487	70	$ 195,664.10
Armed Services	$11,931,357	61	$ 195,596.02
Veterans	$5,486,795	31	$ 176,993.39
Small Business	$5,120,301	36	$ 142,230.58

For instance, the Transportation Committee, with only 5 more members, had nearly $24,000 in additional resources per member. Fewer resources mean fewer staff, and a reduced ability to serve the members. Committees are ultimately member service organizations, but without the proper resources, it becomes difficult for us to fulfill our mission.

Investments in Personnel

While our track record in the 108th Congress demonstrated significant successes, we also discovered areas where we need to supplement our staff. Due to the unexpected departure of several members because of retirement, pursuing new careers and being unable to find qualified candidates with expertise in specific areas, we have vacancies which need to be filled. We lost two significant staff members in the securities area which we need to replace because securities issues will be in the forefront this Congress, as well as staffers with expertise on the issues of Social Security and GSEs.

While all of the Committees face tough competition for staff from the private sector, we are particularly vulnerable when competing with the financial services sector. While we have been relatively successful in attracting and retaining our best staff, it is a constant struggle to retain our staff experts when faced with attractive offers from both the private sector and the Administration. Therefore, our budget request includes allowances for both cost of living and merit increases.

Investments in Infrastructure

The Committee is seeking to continue its path of investment in technology and infrastructure. I want to particularly thank Chairman Ney and the Committee for their past support of these endeavors.

In the 108th Congress, the Committee took on a major technology infrastructure project, constructing a database designed to track legislation through the committee process. Initially designed as an effort to replace the aging committee calendar application maintained by HIR, this system has grown into a system designed to manage all kinds of information related to the committee legislative process. This system, designed to leverage the House's investment in Microsoft technologies, was initially funded as a pilot using funds from the first session, and we used funds in the 2nd session to improve the application.

This budget requests funds to continue the development of this system, to extend access to the system both to the Minority committee staff, and the Committee's rank and file members. Our hope is that during the 109th Congress, we will be able to use the system to improve our markup process, and perhaps even facilitate the electronic filing of amendments for committee markups. I know that other committees are looking at our progress on this project, and I hope that the Committee will continue to fund this project.

The Budget Request Treats the Minority Fairly

Our budget request treats the minority fairly. It grants the minority staff control over their budget, and one-third of both the funding and staff slots allocated to the Committee.

Of course, we will ask the minority to contribute to expenses that benefit all of our members equally. For instance, we will be asking the minority to offset one-third of the cost of our GPO detailee and document production operation, as well as other shared administrative expenses. This also is only fair.

This is a Fair Budget Request

I recognize that this is a substantial budget request and yet it represents a decrease from the Committee's request in the last Congress. But as I said at the outset, the investments that the House made in the Financial Services Committee paid off in the last Congress, even though we still have fewer resources than other committees of a similar size and with similar responsibilities. I am asking you to continue providing us with the resources we need to do our job, particularly in an era where our oversight of the economy is as critical as it is today.

This is a fair budget request, and I hope you will support it. Thank you, Mr. Chairman, and I stand ready to answer your questions.

The CHAIRMAN. Well, I will thank the Chair. And Mr. Frank has arrived, and we will hear from the ranking member, and then if you have any questions.

The gentleman from Massachusetts.

STATEMENT OF HON. BARNEY FRANK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. FRANK. Thank you, Mr. Chairman.

I want to express my support, my appreciation to the chairman, because the committee has been handled in an entirely evenhanded and fair way, and I appreciate that and want to give my support there. And this is something to be worked out together.

Mr. Chairman, we have space problems. We have a great, hard-working staff that are, unfortunately, scattered, and I know people are aware of that and will do what they can. So in terms of the committee budget, I am wholly supportive and want to say this: I believe we are where we ought to be functioning.

I would just add one other point, not about—well, it is about the committee budget, and it is something that I don't know if it can be addressed, but one of the things that troubles me is the disparity, frankly, between what we are able to do in terms of compensation for members of the committee staff and also members of our personal staff.

And the committee staff on whole, the average, they are not overpaid. I think one of the great bargains the American people get are the extraordinarily talented people who work very long hours under not always wonderful conditions to help make public policy. The staff in general, it is a great bargain.

But there is a disparity. The members of our personal staff are underpaid even by that scale, and I would hope we might be able to address some way to increase the personnel allowances, because I think there is—the disparity in salaries between committee staff and personal staff is troubling to me.

But having said that, I will repeat again, this budget is, I think, a very reasonable one, and I am appreciative of the consideration we have been given.

[The statement of Mr. Frank follows:]

STATEMENT OF BARNEY FRANK
RANKING MEMBER
COMMITTEE ON FINANCIAL SERVICES

MARCH 10, 2005

Mr. Chairman and Members of the Committee, I am pleased to appear here today with Chairman Oxley to fully support the budget request for our Committee. We were consulted in the preparation of the budget proposal, and under this budget, the Minority has full control of one third of the funds and staff slots.

The Financial Services Committee has broad housing and economic development jurisdiction; broad authority over the regulation of the entire financial services sector; expansive consumer protection jurisdiction; substantial economic policy responsibilities; responsibility for all international development institutions and global economic issues. We cannot ignore or inadequately address any of these areas of responsibility nor can we fail to support the Committee membership – one of the largest in the Congress. It is essential that we have the funds and resources necessary to carry out these functions.

Finally, I understand a review process is underway to acquire nearby facilities for the House. At the appropriate time, I request that the minority also be given space considerations to reflect a two-third/one-third division of physical resources.

Mr. CHAIRMAN. I want to thank both the gentlemen for coming here. I serve on the committee, and you have done a lot of work.

I just want to note to you, with your staff, both the Democrat and Republican staffs, we have had zero problems when they interact with our committee, they have done everything, you know, in the right way, the correct way. They call—both staffs, both of your staffs.

I wanted to note something, because you hit on a topic. There is a master plan; they are going to complete it in 2005. We have been on it for about 4 years, and the architect is going to complete it. These buildings—they showed me the flowcharts—these buildings were created for 7,000 fewer people than we have today; in other words, there are 7,000 or something people that should not be in these spaces technically.

I hope both sides of the aisle, the leaders, will work with the jurisdictions and the Members to get some space. We are just shot with space; I mean, people call every day, and working conditions are not good.

The other thing, too, Members' accounts are probably, frankly, authorized at more than we should have because we didn't live within what the appropriators gave us.

There is only so much we can do. If the House budget is flatlined, and we now have the world technology, millions more people are, luckily, able to see what is going on and see the Congress interact, but that also creates the need for staff to respond to that. And I just think that, we need to watch, because we are going to do a disservice to people if we don't—aren't able to pay people, if we can't do the student loan program, all the things that I think we need to do to retain good people. So I am hoping it is not flatlined.

Mr. FRANK. I will do everything I can. No one has ever complained to me that letters were answered too quickly or the problem received too much attention or the committee staff worked too closely with them on the problem that brought their attention.

The CHAIRMAN. Any questions?

The gentlelady from California, do you have any questions?

Ms. LOFGREN. I am sorry I am late, Mr. Chairman. Our newest Member of the California delegation was just sworn in, and obviously the Californians were a little bit delayed on the floor.

I don't know what has been asked. It seems to me, from what I have read—and I guess this is a question—that this committee has done precisely what the expectation is in terms of the one-third position, one-third budget, control over the one-third for the minority; is that correct?

Mr. FRANK. Yes. I just said the chairman has been absolutely fair, and we have had zero procedural issues. And we have our control over one-third of the staff plus, frankly, in many ways, the staff has worked very closely together. There are some issues on which we differ, and we have a structure that allows us to differ on those issues in an open process without in any way impinging on the relationship.

So this has been, I think, a model for how committees should function, thanks to the chairman.

Ms. LOFGREN. Well, that sounds great. The only question I would have is, and it is not about disagreement with the two of you—and

this has come up with several other committees—how is your space situation?

Mr. FRANK. Yeah, I mentioned that. It is awful, but it is nobody's fault. The problem is that our staff is spread out so much; I think I am in four different buildings. There are people in Rayburn, Cannon, one of those buildings I never go to—which one is that—Ford or something——

Ms. LOFGREN. I like the Cannon Building.

Mr. FRANK. Well, Cannon is okay, but it is those buildings back by the highway, I think we have got one in the sewer plant.

Mr. OXLEY. By the way, I don't think the staff minds necessarily that separation from the minority.

Ms. LOFGREN. That is all my questions, Mr. Chairman. Thank you very much.

The CHAIRMAN. Thank you.

Ranking Member, do you have any questions?

Ms. MILLENDER-MCDONALD. Yes, thank you very much.

Good morning to both of you. And I suppose with this type of collegiality that you feel very good, Mr. Ranking Member, about your one-third allocation, one-third, and the ability to perhaps request your equipment with the chairman. If not, just—you do it autonomously?

Mr. FRANK. Yes. And including, by the way—staff travel is fairly done because there is a need for staff to travel. I mean, all aspects of it are done in an entirely fair manner.

Ms. MILLENDER-MCDONALD. Okay. Well, I suppose that is about all I have, Mr. Chairman.

The CHAIRMAN. Well, thank you. I thank both of the Members, I appreciate it.

Next, we will move on to Small Business.

I appreciate the chairman being here. If you would like to begin. Thank you.

STATEMENT OF HON. DONALD A. MANZULLO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. MANZULLO. Thank you, Mr. Chairman, Ranking Minority Member, members of the Committee on House Administration. I am pleased to testify in support of the funding request to cover the expenses of legislative initiatives, studies, technical upgrades, and oversight investigations of the Committee on Small Business for 2005 and 2006 in the amounts of $2,987,331 and $3,046,727 respectively.

Before I enter into the substance of my remarks I want to make three quick points. First, the Small Business Committee received the third-lowest funding increase of all committees in the 108th Congress, and we maximized the use of every dollar allocated to us in 2003 and 2004.

Second, the overall funding level in H. Res. 109 is 5.3 percent less than the committee's proposal from the 108th Congress, so we are being very frugal with this request.

Third, because of the committee's small size, any increase we get will not substantially affect the overall committee funding resolution. For its relatively small staff and budget, the Small Business

Committee continues to be very productive in accomplishing many positive results for small businesses across the country.

Our committee will continue its role as an advocate for small businesses, ensuring that small business interests are defined and considered during all stages of the development of public policy. Legislatively, the committee will focus on reducing the regulatory and paperwork burdens imposed upon small business in 2005. Next year, we will work on reauthorizing the programs of the SBA.

In addition, the committee plans to look at other critical issues, including but not limited to increasing small business participation in Federal procurement. We have had numerous hearings on that, and we have been able to, on a bipartisan basis, bust many large bundling contracts of the different agencies into smaller pieces so that small businesses are not smoked by one or two large industries across the country.

We are working on tax relief for small business and improving small business access to capital, including revitalization of small business companies participating securities program. And finally, the committee will continue to focus on revitalizing our Nation's manufacturing base.

This is the only committee in Congress that has hearings concentrating on restoring our manufacturing bases. As the chairman knows, coming from Ohio, this country has lost nearly 3 million manufacturing jobs. And I hold this up proudly, I was named Mr. Fix-It in The Manufacturer magazine that put my picture on there because they recognize the effort that we have been making to try to restore the manufacturing base.

And one of the things that we want to do is to hire a consultant, which would be much cheaper than a full-time employee. The person we want to hire just did this report on the metal casting industry, which has a defense project in the Speaker's district. His and mine have a lot of boundaries that have been adversely impacted. So what we have been doing is trying to bring to the attention of the Defense Department the absolute necessity to use its procurement powers to buy from American companies to help restore our base.

The committee has a long history of bipartisan cooperation, a tradition that I fully intend to continue. Since Republicans gained the majority, minority has received one-third of the committee staff slots and control over one-third of the personnel budget, and I intend to maintain these ratios during the 109th Congress. By comparison, the 103rd Congress, Republicans—then in the minority—received 22 percent in 1993 and 25 percent in 1994 of the personnel budgets.

Of the majority staff positions, three are administrative and nonpartisan in nature. As in the past, the committee will see that the resource needs of the minority are met. In fact, with the exception of the server—which we just found out about today and we will replace that, obviously, for the minority—all request needs have been incorporated into our budget funding resolution.

As with my predecessor, I try to run this committee in a fiscally responsible manner, as in the 107th and 108th Congresses, and I intend to carry on the tradition to ensure that resources are available to support the committee's mission.

While the proposed spending increase percentage in H. Res. 109 may appear large at first, this committee is still the second smallest in terms of personnel and funding out of any standing committee in the House of Representatives, yet this committee oversees and has direct legislative responsibility for not just the $600 million spent on the SBA, which leverages $25 billion to small businesses, but we also have jurisdiction for the $65.5 billion spent by Federal agencies to purchase goods and services from small businesses across the country.

Few know that the dollar value of our prime legislative jurisdiction is greater than some other committees that have a larger staff and a higher budget. This request would also bring the Small Business Committee finally over the level it was funded at in the 103rd Congress. The committee received significant cuts in 1995, which was more, in terms of the percentage decrease, than any other committee received except one.

The committee has made a conscious effort to upgrade and budget for the needs of both the majority and minority. We want to ensure that the actions and resources of the committee are accessible to the small business community, we will do that by enhancing our e-mail technology and our photocopying and our computer technology. H. Res. 109 reflects the projected workload as described in the oversight plan, that has always been sensitive to and supportive of the minority.

We would respectfully ask for your support in the funding resolution that is outlined in H. Res. 109.

[The statement of Mr. Manzullo follows:]

DONALD A. MANZULLO, ILLINOIS
CHAIRMAN

NYDIA M. VELÁZQUEZ, NEW YORK

Congress of the United States
House of Representatives
109th Congress
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515–6315

TESTIMONY OF SMALL BUSINESS COMMITTEE CHAIRMAN DONALD A. MANZULLO

Before the House Administration Committee in support of H.Res. 109
Thursday, March 10, 2005 10:20AM in Room 1310 LHOB

Mr. Chairman, Madam Ranking Minority Member, and Members of the Committee on House Administration, I am pleased to testify in support of the funding request to cover the expenses of legislative initiatives, studies, technical upgrades, and oversight investigations of the Committee on Small Business for 2005 and 2006 in the amounts of $2,987,331 and $3,046,727 respectively.

Before I enter into the substance of my remarks, I want to make three quick points. First, the Small Business Committee received the third-lowest funding increase of all Committees in the 108th Congress and we maximized the use of every dollar allocated to us in 2003 and 2004. Second, the overall funding level in H.Res. 109 is 5.3 percent less than the Committee's proposal from the 108th Congress. So, we are being very frugal with this request. Third, because of the Committee's small size, any increase we get will not substantively affect the overall committee funding resolution. For its relatively small staff and budget, the Small Business Committee continues to be very productive in accomplishing many positive results for small businesses across the country.

This Committee will continue its role as an advocate for small businesses, ensuring that small business interests are defined and considered during all stages of the development of public policy. Legislatively, the Committee will focus on reducing the regulatory and paperwork burdens imposed upon small business in 2005. Next year, we will work on reauthorizing the programs of the Small Business Administration.

In addition, the Committee plans to look at other critical issues, including, but not limited to, increasing small business participation in federal procurement; reigning in the spiraling cost in health care for small businesses; tax relief for small business; and improving small businesses to access capital, including revitalizing the Small Business Investment Company participating securities program. Finally, the Committee will continue to have a focus on revitalizing our nation's small manufacturing base, with a particular emphasis on maintaining the small suppliers critical to our defense industrial base. Despite our increased legislative pace and our aggressive agenda, this committee funding resolution represents a serious effort to keep Committee spending in line without compromising our mission. As in previous years, the Minority's requests have been incorporated into the Committee's budget proposal.

The Committee has a history of bipartisan cooperation, a tradition that I fully intend to continue. Since Republicans gained the majority, the Minority has received one-third of the

Committee staff slots and control over one-third of the personnel budget. I intend to maintain these ratios during the 109th Congress.

By comparison, during the 103rd Congress, Republicans, then in the minority, received 22 percent in 1993 and 25 percent in 1994 of the personnel budget.

Of the Majority staff positions, three are administrative and non-partisan in nature:

1) the Chief Clerk who handles hearing arrangements, keeps the Committee's records, and prints the hearing and mark-up transcripts;
2) the Systems Administrator who oversees the maintenance of the Committee web site and the posting of hearing transcripts electronically; and
3) the Finance Clerk who looks after all committee finances.

As in the past, the Committee will see that the resource needs of the Minority are met. In fact, all their requested needs have been incorporated in this budget funding resolution, including a long-standing request for an additional staff slot.

Like my predecessor, I ran this Committee in a fiscally responsible manner in the 107th and the 108th Congress and I intend to carry on that tradition to ensure that resources are available to support the Committee's mission. While the proposed spending increase percentage in H.Res. 109 may appear large at first, this Committee is still the second smallest in terms of personnel and funding out of any standing Committee in the House of Representatives. Yet, this Committee oversees and has direct legislative responsibility not just for the $600 million spent on the SBA, which leverages over $25 billion in lending to small business, but also for the $65.5 billion spent by all federal agencies to purchase goods and services from small businesses across this country. Few know that the dollar value of our prime legislative jurisdiction is greater than some other committees that have a larger staff and a higher budget. This request would also bring the Small Business Committee finally over the level it was funded at in the 103rd Congress. The Committee received significant cuts in 1995, which was more, in terms of a percentage decrease, than any other committee received except one.

The Committee has made a conscious effort to upgrade and budget for the needs of both the Majority and Minority. We want to ensure that the actions and resources of the Committee are readily accessible to the small business community. We will do this by purchasing the necessary computer and photocopier equipment to keep pace with technological developments; sending the much requested Small Business Committee newsletters via E-mail to interested small businesses throughout the country; and updating and maintaining the award-winning Small Business Committee web site with hearings, testimony, and other pertinent small business information. It is my intention with this budget proposal to allow for further upgrades and purchases of new computer equipment during the first session of the 109th Congress to bring the committee closer to contemporary standards.

H.Res. 109 reflects the projected workload as described in the oversight plan and has always been sensitive to and supportive of Minority access to resources allocated to the Committee. This Committee, regardless of which party has held the majority, has a long history of bipartisan cooperation, and I fully expect that to continue through the 109th Congress.

Thus, I respectfully ask for your support for the Small Business Committee funding resolution as outlined in H.Res. 109 and in my more detailed written submission.

The CHAIRMAN. Thank you, Mr. Chairman.

And we will go to the ranking member from New York.

STATEMENT OF HON. NYDIA M. VELÁZQUEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Ms. VELÁZQUEZ. Thank you, Mr. Chairman.

Chairman Ney, Ranking Democratic Member Millender-McDonald, and members of the committee, thank you for the opportunity to testify on the budget request for the Committee on Small Business.

Oftentimes, while the Committee on Small Business may not be thought of as glamorous, we have one of the most important jobs in Congress, protecting and advocating for this Nation's small businesses. Whether it is drafting legislation that takes their concern into account or making sure small businesses have the tools they need to succeed, the Committee on Small Business needs to be properly equipped, adequately staffed and fully funded.

Unfortunately, during my tenure as Ranking Democratic Member, this has not been the case. Our allocation is the smallest of any committee, and when we only receive minor funding increases, it has a drastic effect. Nevertheless, the committee has risen to meet the challenges, and I would like to congratulate the members and staff for working against the insurmountable odds.

This most recent budget is 5.3 percent less than the submission for the 108th Congress, which, as you will recall during the last congressional hearing, I fully supported. The intent of that proposal was to close the gap on the historic funding shortfalls. Unfortunately, last Congress we received well below the average allocation provided to all the committees during the 108th Congress.

I urge the Committee on House Administration to consider funding us more at the level we requested last Congress; and I would like to comment on specific areas I feel this committee should recognize, staff salaries and expenses.

While Chairman Manzullo is asking for 16.7 percent more than the previous allocation, it is simply not enough, as we are still trying to recover from the 104th, 106th and 108th Congress shortfalls.

The chairman's current budget includes a request for an additional slot, which I will strongly encourage the Committee on House Administration to consider. After all, the Small Business Committee has the smallest budget and lowest number of staff. Adding just one more slot would greatly increase productivity. The minority would use this slot for the full-time professional staffer to handle SBA's entrepreneurial development programs. Due to current staff limitations, these duties are now being covered by three individuals.

Equipment: With such a small staff, having the technology that allows us to get the work done is imperative. The chairman's budget states that 10 computers will be replaced in 2005, with another 10 the following year. The minority's server, which dates back to the year 2000, also needs to be replaced. According to our vendor and HIR, our server currently runs on Windows NT4, which is an operating system that both Microsoft and HIR are soon to discontinue supporting if they haven't already.

At the moment, we have used about two-thirds of the storage space on this server, and our vendor has indicated that the remaining space will not take us through another Congress. Replacing the computers and server as soon as possible obviously is our priority.

While I recognize that these issues—and this is regarding the committee facilities—do not fall under House Administration, since there is no specific entity or venue where it can be heard, I feel they should be raised here. Currently, the Small Business Committee has two hearing room facilities, one located at 2360 Rayburn and the other at 311 Cannon. Room 2360 Rayburn has historically been our main hearing room, and it is in dire need of renovations. The room does not have enough seats for our members, the sound system needs to be upgraded, and it is in worn condition.

While 311 Cannon did undergo historic restoration last Congress, it fell short in several areas. It still doesn't have adequate seating for committee members, as is the case with the Rayburn hearing room; we are at least 10 seats short. At a recent hearing that was well attended, members on my side of the aisle simply saw the space constraints and left.

The sound system needs to be upgraded, as with 2360 Rayburn. When we have hearings Members cannot hear witnesses and vice versa. Room 311 Cannon has no office space or facilities, and no room for staff. We need at least one functioning hearing room that allows all members to attend and participate.

Another critical need is proper and adequate office space. While I know we are under real space constraints, the minority has to work with less than an attractive work area, 407 square feet, which is inefficient and creates a difficult work environment.

When it comes to staffing needs and we must choose between experienced staff and someone who is bright and has potential, we select the candidate that fits within our salary's constraint. This requires training from myself and senior staff. While the committee has a second office at 559 Ford, setting up in the Ford Building does not meet training demands, it limits staff growth, and creates problems.

In the past, there have been conversations with the chairman's office about this issue, but no solution has been found. It would be my hope that this committee, along with other entities, will help.

The bottom line is, we do not need two hearing rooms; realistically, we need one functioning hearing room and office space to make conditions workable.

In closing, Chairman Ney and Ranking Member Millender-McDonald, I thank you again for this opportunity. I know that when budget submissions are made, there is the expectation to always ask for more, but Chairman Manzullo's budget request is austere. If you choose to fund the committee without Chairman Manzullo's current request, I will then respectfully request an effort to maximize these limited resources, giving the minority a full third of the entire budget request. If House Administration fails to fund the Small Business Committee at an adequate level, we will continue to fall behind, and that will be a disservice to our members, staff and this Nation's small businesses.

Thank you.

[The statement of Ms. Velázquez follows:]

DONALD A. MANZULLO, ILLINOIS
CHAIRMAN

NYDIA M. VELÁZQUEZ, NEW YORK

Congress of the United States
House of Representatives
109th Congress
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6315

Statement of the Honorable Nydia M. Velázquez
Ranking Democratic Member, House Committee on Small Business
Before the Committee on House Administration
Thursday, March 10, 2005

Chairman Ney, Ranking Democratic Member Millender-McDonald and Members of the Committee, thank you for the opportunity to testify on the budget request for the Committee on Small Business.

Oftentimes, while the Committee on Small Business may not be thought of as glamorous, we have one of the most important jobs in Congress - protecting and advocating for this nation's small businesses. Whether it is drafting major legislation that takes their concerns into account, or making sure small businesses have the tools they need to succeed, the Committee on Small Business needs to be properly equipped, adequately staffed and fully funded.

Unfortunately, during my tenure as Ranking Democratic Member, this has not been the case. Our allocation is the smallest of any committee and when we only receive minor funding increases, it has a drastic effect. Nevertheless, the committee has risen to meet the challenges, and I would like to congratulate the Members and staff for working against the insurmountable odds.

This most recent budget is 5.3% less than the submission for the 108th Congress, which as you will recall at the previous hearing during last Congress, I fully supported. The intent of that proposal was to close the gap on the historic funding shortfalls. Unfortunately, last Congress, we received well below the average allocation provided to other committee's during the 108th Congress. I urge the Committee on House Administration to consider funding us more at the level we requested last Congress, and would like to comment on specific areas I feel this committee should recognize:

Staff Salaries & Expenses: While Chairman Manzullo is asking for 16.7% more than the previous allocation, it is simply not enough as we are still trying to recover from the 104th, 106th and 108th Congress shortfalls.

The Chairman's current budget includes a request for an additional slot, which I would strongly encourage the Committee on House Administration to consider. After all, the Small Business Committee has the smallest budget and lowest number of staff. Adding just one more slot would greatly increase productivity. The Minority would use this slot for a full-time professional staffer to handle SBA's entrepreneurial development programs. Due to current staff limitations, these duties are now being covered by 3 individuals.

Equipment: With such a small staff, having the technology that allows us to get the work done is imperative. The Chairman's budget states that 10 computers will be replaced in 2005, with another 10 the following year. The Minority's server, which dates back to the year 2000, also needs to be replaced. According to our vendor and HIR, our server currently runs on Windows NT4, which is an operating system that both Microsoft and HIR are soon to discontinue supporting...if they haven't already. At the moment, we have used about ⅔ of the storage space on this server and our vendor has indicated that the remaining space will not take us through another Congress. Replacing the computers and server as soon as possible is our priority.

Committee Facilities: While I recognize that these issues do not fall under House Administration, since there is no specific entity or venue where it can be heard, I feel they should be raised here. Currently, the Small Business Committee has 2 hearing room facilities, one located at 2360 Rayburn and the other at 311 Cannon. 2360 Rayburn has historically been our main hearing room and it is in dire need of renovations. The room does not have enough seats for our Members, the sound system needs to be upgraded, and it is in worn condition.

While 311 Cannon did undergo "historic restoration" last Congress, it fell short in several areas. 311 Cannon still does not have adequate seating for committee Members, as is the case with the Rayburn hearing room. We are at least 10 seats short. At a recent hearing that was well attended, Members on my side of the aisle simply saw the space constraints, and left.

The sound system needs to be upgraded (as with 2360 Rayburn). When we have hearings, Members can't hear witnesses, and vice versa. 311 Cannon has no office space or facilities, and no room for staff. We need at least one functioning hearing room that allows all Members to attend and participate.

Another critical need is proper and adequate office space. While I know we are under real estate constraints, the Minority has to work with a less than attractive work area - 407 sq. ft. -, which is inefficient and creates a difficult work environment.

When it comes to staffing needs and we must choose between experienced staff and someone who's bright and has potential, we select the candidate that fits within our salary constraints. This requires training from myself and senior staff. While the committee has a second office at 559 Ford, setting up in the Ford building does not meet training demands, it limits staff growth and creates problems.

In the past, there have been conversations with the Chairman's office about these issues but no solution has been found. It would be my hope that this committee along with other entities (the CAO's office and the Architect of the Capitol) would help. The bottom line is, we don't need two hearing rooms. Realistically, we need one functioning hearing room and office space to make conditions workable.

In closing, Chairman Ney and Ranking Member Millender-McDonald, I thank you again for this opportunity. I know that when budget submissions are made, there is the expectation to always ask for more, but Chairman Manzullo's budget request is austere. If House Administration funds the Small Business Committee as is, we will continue to fall behind and that would be a disservice to our Members, staff, and this nation's small businesses.

The CHAIRMAN. I want to thank both of the Members for testifying today. And I think the committee has also done an important—and I know sometimes people might get mad at the chairman here or there because he will publicly say some things, which I think are appropriate to say, on manufacturing. Sometimes people don't like to hear that, but I think you have done the right thing by mentioning our manufacturing base.

We have lost 269,000 jobs in Ohio on the manufacturing level. So I commend you for speaking out and continuing to speak on that issue because it has got to be constantly put out there publicly.

So I appreciate the work that you have done, both of the Members.

On the space—we have been talking about this all day long with everybody, and there is a building commission report in March of this year that will come out, and eventually Congress has just got to bite the bullet and make some decent working situations.

We upgraded Cannon because you have two hearing rooms. I don't expect that a reconfiguration of space will happen in time to have one, but what we should pursue is to upgrade the other hearing room. Our CAO—I know the appropriators' budget last year was so tight he was talking about completely zeroing out any upgrades—it is not his fault, he had to do something—so we are hoping this year to use a little flexibility, because we have had a goal for quite a few years to get all these rooms brought up to speed, and we need to complete that.

It has been 10 years of trying to do that, and I think it needs to be completed so every room is upgraded technologically; that is how people know what you are doing, you communicate with them. So we hope we can at least get that other room done. I assume—Cannon has been upgraded.

Ms. VELÁZQUEZ. But it is not big enough to have seats for every member.

The CHAIRMAN. Right.

Questions.

Ms. MILLENDER-MCDONALD. Mr. Chairman, thank you so much.

Mr. Chairman, in speaking about, as you have just spoken, about the building commission report, I am hearing that the ranking member part of your staff is at the Ford Building; am I correct on that?

Ms. VELÁZQUEZ. Right.

Ms. MILLENDER-MCDONALD. Is there any way, Mr. Chairman, we can revisit the ranking member staff in the Ford Building? I think you said earlier this morning that that is really not adequate for them to be so far away from the beaten path of this committee.

The Small Business Committee, while you have been shortchanged, as you perceive and has been outlined so often in this budget, you are really the driving force on creating more jobs in this country than any other committee. Small businesses are the creation of jobs, and we can ill afford to continue to shortchange you.

But in doing so, Mr. Chairman, my question is, in listening to the ranking member, how much input does she have on the budget process before you submit it to this committee?

Mr. MANZULLO. We incorporated all of the requests. The only thing that we left out, I believe, was the last-minute request for a $1,700 server by the minority. Of course, we will honor that. Whatever cost the server is, I guess it is more than $1,700.

Ms. MILLENDER-MCDONALD. And that will be taken care of?

Mr. MANZULLO. Yes.

Ms. VELÁZQUEZ. Well, Ranking Member, if I may, I just would like to make——

Mr. MANZULLO. Assuming we get our budget approved at the level that we need.

Ms. VELÁZQUEZ. Well, I am happy to hear that you are adding the server as part of my request, but I would just like to make sure that people understand that having input into a budget process requires having meaningful conversation between the chairman and the minority and both staffs.

It just is really sad that I didn't have a copy of the budget submission before it was submitted, once again; and we have to go through House Administration to obtain a copy of the budget submission. So I do not consider that to have meaningful input into the budget submission process.

And I am happy to hear that you offered to replace the server, and I think that the chairman has just given an excellent example of how helpful consultations could be.

Ms. MILLENDER-MCDONALD. You know, Mr. Chairman, yesterday I had a meeting with the minority leader before we convened this hearing today, and this Chair has been extremely sensitive to the fact that the two-third/one-third ratio is adequately done between the two of you, and that the ranking member gets the ability and the freedom to have input in the budget deliberations between you two before we get your submission. I am hearing, as Ms. Velázquez has said, she does not have that.

I hear you loud and clear, Mr. Chairman, that you need the 17.8 percent increase that you have asked us for. But in the event, given the budget constraints, you do not get that, will you hold the minority harmless and maintain, still, the two-thirds/one-third ratio that we are suggesting should be done?

Mr. MANZULLO. Yes. We have done that since the beginning. It gets lowered across the board on it if we don't get what we are asking.

I like the fact that Ms. Velázquez says that the budget I requested is austere, which it is; we think it is bare bones. And Ms. Velázquez is right, with this committee, we have taken on some monstrous lifts because we have become known as the committee of last resort. When little guys out there are getting beat up all over the place, they come to us because nobody else will talk to them because their issues are so minor.

We just got into something, Mr. Chair, if I may just take a minute. I have not even had a chance to discuss this with Ms. Velázquez because it just happened yesterday. The head of the U.S. Women's Chamber of Commerce came in to see us, Terry Walker. I don't know if you know her, she is a former music conductor who runs a five-person shop here in Washington. It is a relatively new organization and I have linked them up with a lady from the Afghanistan embassy. And I said, Let's start a program? I haven't

talked to Nydia, but that is how new it is—that the U.S. House of Representatives Small Business Committee would be working with small businesswomen in Iraq and Afghanistan on a cooperative basis to teach them how to be entrepreneurs, to offer them whatever resources we have.

We believe that the key to freedom in those countries is empowering women to go into small businesses, because that breaks the back of the dictatorships by giving women the right to vote; they are no longer second-class citizens in those countries.

This is a really exciting project, and it is unique, but it is the type of thing that we do in the Small Business Committee. We are there to help people all over the place. And this would be our role, at least internationally. It is not going to require an additional staffperson. It will still take some of our attention, and that is one of the reasons I believe that Ms. Velázquez has even a broader vision of where she wants to take this committee, if we would have more money.

Ms. VELÁZQUEZ. Sure. And I just would like for the committee not to have any confusion regarding my participation in terms of the budget. We get one-third of the salary, but we do not get one-third of everything else.

Ms. MILLENDER-MCDONALD. I am sorry, you don't get one-third of what?

Ms. VELÁZQUEZ. Of anything else, regarding equipment or any of the other expenses.

Ms. MILLENDER-MCDONALD. I am very fortunate to serve on Small Business as a subcommittee ranking member, and I do know that oftentimes when I do ask for my own consultant to this subcommittee, that I don't have one; and that is a concern of mine, Mr. Chairman and Ranking Member, that the slots are not allocated, it seems, commensurate with subcommittee ranking members.

So perhaps they were not supposed to be that way; and if you can share that with me, Mr. Chairman, or the ranking member, because oftentimes I do have to use the consultant to the full committee when I have had traveling.

Mr. MANZULLO. We have never hired a consultant before. The person that I want to hire obviously would be cheaper than a full-time employee, but her expertise is in the economics of manufacturing, and it goes right to the core.

I know you have lost a tremendous number of manufacturing jobs in your district.

Ms. MILLENDER-MCDONALD. Tremendous.

Mr. MANZULLO. So has Ms. Velázquez. And it is a very esoteric area of manufacturing economics, and so that is our goal, to pull her in to be able to have the ammunition to give the Pentagon, to demonstrate to the Pentagon that they have to keep those jobs in the United States to maintain our defense.

Ms. MILLENDER-MCDONALD. Well, good for you.

And my last question is, hiring that consultant, would that be a shared slot, or how would that go?

Mr. MANZULLO. Well, it wouldn't be a slot; it is not considered a slot.

Ms. MILLENDER-MCDONALD. So you will just be hiring her for her expertise?

Mr. MANZULLO. That is correct.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman.

The CHAIRMAN. Any additional questions?

Ms. MILLENDER-MCDONALD. No.

The CHAIRMAN. Yes, Mr. Brady.

Mr. BRADY. Yes. If you get your requests, there will be two additional slots for the committee?

Mr. MANZULLO. That is correct.

Mr. BRADY. And will the minority get one slot?

Mr. MANZULLO. It will be one each.

Mr. BRADY. And I heard somewhere that the minority is having a problem making payroll with the slots that you have; is that true?

Ms. VELÁZQUEZ. No. Well, we are under a lot of constraints. We have to share responsibilities, with my personal office included.

Mr. BRADY. Well, my problem is being in the House of the United States Congress and hiring people and having a problem paying them. I think we need to fix that in any way we can. I hope you fix that.

And the other thing is travel. Is travel equally one-third, the travel time that you——

Ms. VELÁZQUEZ. No, only salaries.

Mr. MANZULLO. Whatever equipment requests and travel requests, we honor; it has never been a problem.

Mr. BRADY. Okay. Thank you.

Ms. MILLENDER-MCDONALD. Mr. Chairman, just one question.

Back to—Mr. Chairman, you are saying that you do honor the travel requests. How often? Because now with the whole notion of this economic downturn in terms of the country, a lot of the small businesses are requesting that we have field hearings so that they can have input as to their inability to get contracts from some of the agencies here in Washington.

They do not have the money to come to us. How are we going to ensure that we have more travel and that both you and the ranking member will have that ability to travel to areas where small businesses want to have input?

Mr. MANZULLO. Well, as the gentlelady knows, Rep. Pat Toomey in the last Congress, went to your congressional district for a field hearing. And it is not the money, it is the time constraints that make it difficult to have even more field hearings.

Ms. MILLENDER-MCDONALD. Because there are so many ports now that are requesting to engage in small business contracts, and so it is important that we travel to these port areas so that we can then ensure that that input from those small businesses are given to us so that we can come back and deal with the agencies that should and could offer contracts to small businesses.

Mr. MANZULLO. Well, I agree with you. We sent two of our staffers to Guam, I just could not get out there. Congresswoman Bordallo is really getting beat up by the Navy, and I hope they are listening to this broadcast. Instead of going to American ship repair people in Guam, they are going to people in South Korea and Japan.

That is the type of stuff that we get involved in, Mr. Chairman, and it is over and over and over and over again. The Department

of Defense goes out of its way to deny jobs and procurement opportunities to Americans, and that is what is crushing our defense industrial base. We just got into a big fight with the Navy over—in fact, it still goes on—with the printed circuit board industry, sending jobs to China for sensitive technologies; and we had to raise all kinds of hell with them.

And then, finally, the Navy said, Well, I think we ought to consider bringing that stuff back to America. And every single day in our office we have these little guys coming in that are actually getting creamed in our manufacturing base because somebody at the Department of Defense uses that old canard "best value" and decides that they are going to ship something out to another port, another job overseas, without even checking to see its impact on the defense industrial base.

And we have spent so much time on that, and we have had some good success on that, and that is why we need even more money, as Ms. Velázquez says, to continue the fight on it.

Ms. VELÁZQUEZ. The money is important, if I may, but I think that in order for the minority to fulfill our responsibility that we should be given control not only of one-third of the salary, but every other expense, that we do not have to go to the majority to ask for authorization to go someplace to do a field hearing, and then 100,000 questions will be asked.

Ms. MILLENDER-MCDONALD. Mr. Chairman, in all due respect, it seems that that is the practice of all these committees, that the ranking member has to go to the chairman for that request; but I would like to think that the chairman would be obliging in honoring the request of the ranking member in asking for the traveling or whatever.

It seems like that is the practice of all committees, that they do have to engage in this request through the chairman, but the chairman should then, I would like to think, honor those requests.

The CHAIRMAN. The gentlelady from California.

Ms. LOFGREN. As I say, this is my first real day on the committee, and so I guess I just need to express some concern about what I am hearing here.

It is my understanding, based on our discussions and hearings with the other committees this morning, that the minority is—under our policies, is basically entitled to a third of the budget, a third of the salary slots and control over their third. Except as to how they might vary, the chairman and ranking member could agree to do something differently if it works better for them.

Listening to Congresswoman Velázquez, it sounds like, if the budget was submitted before she even saw it, obviously they haven't agreed to something. And we do this collegially, as we should.

But if the ranking member would prefer to have the arrangement that Mr. Oxley and Mr. Frank have, I think that the ranking member has a right to do that. And I guess the question is, is that the case; and if so, I think we need to have some different understanding here, because otherwise we will not—you know, we will be holding hands on the overall budget process.

Ms. Velázquez, is it——

Ms. VELÁZQUEZ. I wish we could have the same type of relationship that the Financial Services Committee operates under.

Ms. LOFGREN. Well, I guess the question, then, for the chairman is, if you haven't agreed to vary from that policy, then I think you are obligated to provide a third of the budget and a third of the slots and control over that third to the minority.

Mr. MANZULLO. Ninety-three percent of the budget is salaries, 7 percent is equipment and travel and everything else. Ultimately, I am responsible if we tilt on equipment and travel, and that is why somebody has to have authority over that.

We asked them in the budget process. We are given the list of equipment and whatever the minority wanted on that, and as I said, we got all of that, with the exception of the server that we found out about this morning, on it. So we believe that they had sufficient input on it.

And what are you going to do when 93 percent is salaried——

Ms. LOFGREN. Well, if I can, I think there is a communication problem here, because the chairman thinks there was consultation and the ranking member thinks there wasn't; and obviously there's a communication issue here. I think that—you know, I don't know what the process is, but I would have a concern about supporting a final budget unless this can get straightened out between them.

Ms. VELÁZQUEZ. If I may, having e-mails back and forth from staff to staff, that doesn't represent having meaningful participation and consultation in the budget process.

And he talks about 93 percent represents salary, well, we are almost there. The other 7 percent could represent an obstacle for me to fulfill my obligation and my responsibility as the ranking on this committee.

Ms. LOFGREN. Well, my suggestion, I mean, as a newcomer here—I mean, we are going to meet again next week; maybe we could ask these two individuals to find time to sort through this, and then we could be reassured next week.

Mr. MANZULLO. Mr. Chairman, I think we have done everything not only that the law requires us to do, but a matter of what we have to do on it. You are going to have the minority—you are going to have the majority; that is just the way it is.

But we have been good stewards of the money that has been given to us. We have never denied the minority a travel request or an equipment request. Somebody has got to be in charge of that last 7 percent, so the budget doesn't tilt, and the chairman——

Ms. VELÁZQUEZ. Can I ask a question here, Mr. Chairman? Is it not true that other committees are run where one-third is given full control to the minority?

The CHAIRMAN. It depends. There is no rule or obligation—if we use the words that minority is entitled to, there is no rule, obligation of the one-third.

A goal we have had—each committee, does things differently——

Ms. VELÁZQUEZ. Yeah. But do we have committees that run that way, where the majority trusts the minority to be able to control one-third of the budget?

The CHAIRMAN. The one bottom line, which Chairman Manzullo has been making—and I will answer your question, but at the end

of the day, the chair of the committee is responsible for the sign-offs, because—I will give you an example.

If all of a sudden you just say, "Here, here is the money and here is the travel money, and if people would have hearings all over the place" and there was criticism of, "Why did you have this hearing out here," the Chair is still obligated—responsible, for that travel.

So that is why even we here will sign off on the travel, and have to, because at the end of the day I am responsible for it.

Now, committees are different, each committee, We give one-third of the budget; and that is what we do here. Each committee is different. So sometimes when it says one-third, the ranking members will get the one-third, but it is done in different ways. Some of the Chairs feel that they need to sign off on things because ultimately they are legally liable for it.

Mr. Brady.

Mr. BRADY. Not that you would ever need help answering a question, but maybe to give a little more insight, it doesn't always happen one-third. But when it doesn't happen one-third, it is at the request of the ranking member and the chairman; it is their agreement. When they come in front of us and say, We are okay with not getting the one-third, they are both saying it. We are not hearing that here.

Ms. LOFGREN. Well, that is not what we are hearing here. I think there is a problem here, Mr. Chairman.

Mr. MANZULLO. You know, somebody has to be in charge of this committee; you have got to have a chairman. One person ultimately has to make the final decision on this. I have done the best I could on this.

Ms. Velázquez wants one-third of the 7 percent. I am not willing to give that to her because ultimately what happens in the case where they need more equipment than we do, that might exceed the one-third.

In the last 2 years, the minority overran by $1,000 or so their budget on personnel. And we had banked some money to be able to pick that up.

This is just the way the committees are run.

The CHAIRMAN. Could I interject something here? In defense of both of you, from your different perspectives, 4 years ago I sat personally with both of you in the same room, and separately with both of you, and we talked about a lot of issues when we were coming to the one-third.

I think a lot of the problem that you might have is underfunding in the sense of, if there was a little bit more money, it would make it much easier to upgrade some of the equipment. I think that is a problem.

Ms. VELÁZQUEZ. Thank you, Mr. Chairman.

Ms. MILLENDER-MCDONALD. Mr. Chairman, while I do agree with you on that, it has been a gentlemen's agreement or a gentleman and lady's agreement, given our minority leader, that it would be a one-third, one-third and control with reference to the nonprofessional and nonstaffing issues.

We would like to think that this is going to happen, and the one thing that I would request of you, Mr. Chairman, is that there is meaningful input on this budget by the ranking member and that

e-mails—it was a distinction yesterday, when speaking with the Leader of the House, that she wants Member-to-Member conversations on the budget process and not through e-mails from staff to staff, because we just sometimes don't get it right when it goes from staff to staff.

Mr. MANZULLO. If that had not been acceptable to the ranking minority members, you could have called me or just stopped by my office. The door is always open.

Ms. MILLENDER-MCDONALD. We are going to stop this, but I would like to say again, Mr. Chairman, when we look at this, perhaps we can look at the increase, whatever we can, to this budget. Because they have been——

Mr. MANZULLO. Thank you.

Ms. MILLENDER-MCDONALD [continuing]. Shortchanged over the Congresses, and one cannot operate when you have such a minute budget to begin with.

Mr. MANZULLO. We have fabulous staff. These are just great people. Ms. Velázquez has some of the most talented people on her staff, and I do on mine.

Ms. MILLENDER-MCDONALD. But they won't stay with you if you cannot give them the salary that is commensurate with that.

Mr. MANZULLO. We lose them. We lose them. That is correct.

Ms. LOFGREN. Mr. Chairman, just a final comment. I just think that, speaking for myself, that what we want to do is go to the floor with our proposal and have bipartisan support and—because that is important. This committee is like being in the local government, which I did for so long, you know, where there is no really Republican or Democratic pothole. I mean, you go together to get it done.

Key to having that bipartisanship is either having the minority rule of thumb, where you get one-third, one-third and control, or agreement to do something else. We have had, until this committee, either an out-front agreement by both the chairman and the ranking member that they had agreed to do something else or, in the case of Financial Services, they went to the default of one-third salary, one-third budget and control of the one-third.

So I think, if we want to have a kind of a bipartisan support, we are going to need that in each and every committee. I am hopeful that by the time we finish these hearings we be assured that either the default position or the agreement has been reached, because otherwise I don't think we will have bipartisan support.

I thank the chairman for recognizing that.

Mr. MANZULLO. We actually get along a lot better than what appears today.

Ms. VELÁZQUEZ. Yes, we do.

The CHAIRMAN. I have talked with both of you on several occasions. We appreciate that. Thank you very much.

Ms. MILLENDER-MCDONALD. Image is everything.

The CHAIRMAN. Thank you very much.

Now we will go to the patiently waiting Chair and ranking member of Rules.

I want to welcome our distinguished chairman of Rules, Mr. Dreier, and Congresswoman Slaughter, ranking member, who also gets a lot of credit on genetic testing, on the side issue for the Genetic Testing Ban bill. I will give you credit for working on that.

Mr. Dreier.

STATEMENT OF HON. DAVID DREIER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. DREIER. Mr. Chairman, thank you very much.

Since you are talking about a side issue, let me congratulate this committee with whom we worked closely, Ms. Millender-McDonald and Mr. Brady and Mrs. Miller, and getting 322 votes on our continuity issue on the House floor this past week. It was a great bipartisan victory and again underscoring what we are doing here.

Let me say again it is a great honor for me to be here with the very distinguished—I will just say thanks again for your work on the continuity thing, so I can have that for the record if it didn't get in.

It is a great honor to be able to work so closely with my very good friend and colleague, the distinguished ranking member, Ms. Slaughter, on a wide range of issues; and it is clear that we on occasion have disagreements as we emerge from the Rules Committee. But we do seek to find areas of agreement; and, frankly, the measure that is being considered on the floor of the House right now is a rule which is just passing and has enjoyed strong bipartisan support, as we have taken the concerns of most the minority and the majority into consideration.

Mr. Chairman, I would like to take a moment to explain what the Rules Committee does. It is probably a question that is asked of you. It is asked of me regularly. People ask what the Rules Committee is.

It is the Speaker's committee, and it is the mechanism by which the leadership controls the floor and moves our agenda. The committee is at once the House's traffic cop, its triage unit and its ultimate first responder. We have organized the routine business of legislating and are there when needed to respond to crises, no matter from where they originate.

In addition, the committee's responsibility is to provide for consideration of legislation. The committee is also responsible for a myriad of institutional matters, from ensuring the ability of the House to operate during a disaster, to monitoring the effectiveness of budget control mechanisms in the House Rules, to drafting the opening day rules package.

Among the biggest changes to the committee rules in the 109th Congress was the establishment—and I am sure if you haven't heard from them you will—of a new standing Committee on Homeland Security, which was an extraordinarily challenging and difficult task that we undertook, dealing with the jurisdiction of 10 different committees.

Mr. Chairman, virtually every major piece of legislation comes to us in the Rules Committee and goes to the floor with the special rule. In the 106th Congress, the committee reported nearly 270 measures; and in the 107th and 108th Congresses about 200 measures were reported from the Rules Committee to the full House.

The Committee on Rules has not sought major increases over the past 8 years, from the 105th through the 108th Congresses. In fact, the total average rate of increase for all committees was approximately 32 percent. During that same period of time, over that 8-

year period, the Rules Committee has seen our budget grow by only 22 percent, nearly a third less than the average for the other committees.

The committee now finds itself in a situation where we need to make a number of investments in both our staff and our resources to be able to continue to fulfill that very, very broad, extraordinary mission, which I just outlined. For the first time since the 104th Congress, the committee has requested that the Speaker lift our staff ceiling to 39 staff members from the current 36, providing the minority with an additional slot along with the majority's two additional staff members. The committee's proposed budget includes a 3.7 percent increase in the salary category in both 2005 and 2006 to fund these new positions and provide for cost-of-living merit increases to existing staff.

The committee is also requesting a sizeable increase in funding for equipment in 2005 to facilitate our transition to a new computer equipment vendor. This will allow us to fund maintenance costs as part of the purchase price.

Further, after this initial upgrade, we are planning to shift our equipment acquisition model to a 3-year cycle, making these kinds of purchases more routine and easier to budget.

Additionally, the committee is seeking approximately $100,000 in both 2005 and 2006 to provide for the development of a software application to allow the committee to track amendments in a more orderly fashion than we do currently.

This project will leverage the House's investment in Microsoft technologies, allowing us to provide customized information for different House offices. It is my hope that this project will eventually permit Members to file amendments electronically, speeding the access and availability of amendments for everyone.

Mr. Chairman, as you know, I have always tried to be fair with my friends and Ms. Slaughter as the new ranking member. I worked in the past, since I have been chairman, with our good friend, the late Joe Moakley, and of course over the past several years with Mr. Frost, and I am working very closely now with Ms. Slaughter.

Our budget continues the tradition of giving the minority a third of the total staff slots allocated along with control over a third of the salary funds. For other categories, we have always provided the minority whatever equipment they need to fulfill their role.

We anticipate upgrading the minority's equipment, along with the majorities, and we are working on that. We have allocated some additional funding to provide any extra technical support that the minority may need, since they don't have the staff dedicated for the purpose of focusing on the equipment used, since we take on that responsibility and the majority, obviously, in consultation with the minority.

Again, I have always been willing to work and will continue to work strongly with and closely with members of the minority. Mrs. Slaughter has been a great partner to work with on these issues just in the last couple of months in her new position and as a member of the committee over the past several years. I believe that she was a cosponsor of the resolution that we had.

Our measure on this budget passed unanimously from the committee, and I would like to encourage your committee to adopt it.

I want to express my appreciation in behalf of our great new staff director, Hugh Halpern, whom you have worked closely with, Mr. Chairman, on a wide range of issues and your staff, Mr. Vinovich and others. We appreciate the very close working relationship we have had with the House Administration Committee.

The CHAIRMAN. Thank you. We have always enjoyed great—I have known you from Financial Services, and we call him our legal eagle over there. We have always enjoyed a good working relationship with the majority and minority staff on that committee. There just haven't been problems. Everything has always been done correctly and everything filed correctly over the years.

I thank the chairman and ranking member.

[The statement of Mr. Dreier follows:]

Statement of David Dreier
Chairman, Committee on Rules

Before the Committee on House Administration

March 10, 2005

Chairman Ney, Ranking Member Millender-McDonald, and members of the Committee, I appreciate this opportunity to appear before the Committee on House Administration in support of the Rules Committee's funding request for the 109th Congress.

The Committee on Rules is the Speaker's committee, and is the mechanism by which the Leadership controls the floor and moves our agenda. The Committee is at once the House's traffic cop and its ultimate first responder: we organize the routine business of legislating and are there when needed to respond to crises, no matter from where they originate.

In addition to the Committee's responsibilities for providing for consideration of legislation, the Committee also is responsible for a myriad of institutional matters, from ensuring the ability of the House to operate during a disaster, to monitoring the effectiveness of budget control mechanisms in the House rules, to drafting the opening day rules package. Among the biggest changes to the Committee rules in the 109th Congress was the establishment of a permanent standing Committee on Homeland Security, a difficult but necessary change to our rules.

It is rare that any major piece of legislation comes to the floor without first stopping at the Rules Committee. In the 106th Congress, the Committee on Rules reported nearly 270 measures to the House; in both the 107th and 108th congresses, the Committee reported almost 200 measures. The Committee has been able to respond in each case where we were needed, and yet we continue to have one of the smallest budgets of the standing committees.

Past Rules Committee Budgets

Since the 104th Congress, the Committee on Rules has historically operated on a very lean budget. Since I became Chairman in the 106th Congress, the Rules Committee has operated with one of the smallest budgets of any committee except the Committee on Standards.

Similarly, the Committee on Rules has not sought major increases over the past 8 years. From the 105th through 108th Congresses, the total average rate of increase for all committees was approximately 32 percent. During that same period, the resources available to the Committee on Rules grew by only 22 percent, nearly a third less.

While I am proud of our ability to do more with less, the Committee now finds itself in a situation where we need to make a number of investments in both our staff and other resources to be able to continue to fulfill our mission for the House. As I will explain below, these investments are necessary to modernize our operations and provide for our long-term ability to meet the demands placed on us.

Investments in Staff

Working for the Rules Committee is among the most difficult assignments found anywhere on Capitol Hill. Our professional and associate staff must be able to support the members of the Rules Committee in moving complicated legislation to the floor often on short notice and with tight deadlines. They work very long hours under high pressure, and perform flawlessly. Simply put, we could not operate without our staff.

For the first time since the 104th Congress, the Committee has requested that the Speaker lift our staff ceiling to 39 staff from the current 36, providing the Minority with an additional slot, along with the Majority's 2 additional staff.

The Committee's proposed budget includes a 3.7 percent increase in the salary category in both 2005 and 2006 to fund these new positions and provide for cost-of-living and merit increases to existing staff. These increases are very modest when compared with the demands we place on our staff.

Investments in Technology

The Committee's budget request also anticipates significant spending on technology. The Committee is requesting a sizeable increase in funding for equipment in 2005 to facilitate our transition to a new vendor. Currently, the Committee pays hefty monthly maintenance fees to a firm to provide services that many manufacturers provide under extended warranties. While changing vendors will entail large upfront costs as the Committee purchases new workstations and servers — many of which are due for replacement in any case — it will allow us to use funds more wisely in the future as maintenance and support costs will be included in the up-front purchase

price of the equipment. After this initial upgrade, we are planning to shift our equipment acquisition model to a 3-year cycle, making these kinds of purchases more routine and easier to budget.

Additionally, the Committee is seeking approximately $100,000 in both 2005 and 2006 to provide for the development of a software application to allow the Committee to track amendments in a more orderly fashion than we do currently. Building from projects started by other committees, the goal is to provide a platform to track information related to bills and amendments in real time, and make that information available to Committee members and staff, Leadership and standing committee offices, and rank and file member offices.

By leveraging the House's investment in Microsoft technologies, the Rules Committee will be able to develop an intranet site that is customized for each group, providing the kinds of information needed. It is my hope that this project will eventually permit Members to file amendments electronically, speeding the access and availability of amendments.

While this project is not inexpensive, I believe that it will provide tangible benefits both to the Committee and to the entire House when it is brought online.

Minority Resources

Mr. Chairman, as you know, I have always tried to be fair with the Minority. Our budget continues our tradition of giving the Minority 1/3 of the total staff slots allocated to the Committee, along with control over 1/3 of the Committee's salary funds.

As for other categories, we have always provided the Minority with whatever equipment they need to fulfill their role. We anticipate upgrading the Minority's equipment along with the Majority's, and have allocated some additional funding to provide any extra technical support they may need since they do not have staff dedicated for that purpose.

I have always been willing to work with the Committee's Minority to accommodate any reasonable request, and see no reason why that will change in the 109th Congress.

Conclusion

In conclusion, I believe that our budget request for the 109th Congress is fair and equitable. This budget was unanimously approved by my committee, and cosponsored by my Ranking Minority Member.

While in percentage terms, it may look like a larger increase than we have sought in years past, in real dollar terms it is reasonable and easily justified. By granting our request, you will allow us to make the investments in both human and physical infrastructure to continue to allow us to meet our obligations for the House.

I appreciate your willingness to consider our request, and look forward to answering any questions you might have.

STATEMENT OF HON. LOUISE MCINTOSH SLAUGHTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Ms. SLAUGHTER. Thank you, Mr. Ney. Good morning to you and Ms. Millender-McDonald and Mr. Brady.

It is a pleasure to be here this morning with my friend David Dreier to present to you our budget request for the Committee on rules. David has made a very thorough presentation, with which I agree. I only want to touch on a few items.

Mr. Chairman, the practice of committing a third of the salary dollars to the minority when Democrats were in control has held us in good standing since 1994. David has continued the practice of a nonpartisan administration of the committee and has provided us with a third of the committee staff slots and a third of the dollars necessary to fund those slots.

This amount stated in our request is another modest increase, primarily to increase salary issues. As you know, the great majority of our budget—as I am sure everybody's does—goes to salaries. I think I have one of the most dedicated staffs in the House. They have specialized knowledge that they have built over the years, and we want to go do our best to keep them working here in the House. So this budget proposal makes a step in the right direction.

Historically, the Rules Committee has not asked for the substantial increases in funding that other committees have and as a result may find itself playing catch-up in the area of salaries.

While I understand the physical restraints in play this year, I hope the committee will be generous so that the Rules Committee can make up some of that lost ground in regard to staff salary levels. Under the budget request, I will be able to make a modest cost-of-living adjustment to reward my staff for the great job that they do.

Mr. Chairman, with regard to the increase in staff slots, while I support the request for an increase and believe it is justified, I must point out that the funding request, which will amount to approximately $32,000 for the minority, will not provide the dollars to pay a salary for an additional minority slot. I hope that you and the committee will take that into consideration when you consider the funding level provided to the Rules Committee.

I would also like to speak in support of the technology and equipment requests. Many times, the Rules Committee finds itself in the rather unique position of being the first committee to receive copies of bills and conference reports. The ability to quickly disseminate this material to the membership of the House has become an important duty of our Committee and needs the technical resources to make that happen. David has assured me that all the minority's technology requests, including computers, will be met, and I thank him for that.

Let me conclude by reiterating that we on the Democrat side of the Rules Committee support the request the Chairman and I present to you this morning.

On that note, Mr. Chairman, I am prepared to answer any questions you might have.

The CHAIRMAN. I thank you very much.

[The statement of Ms. Slaughter follows:]

STATEMENT OF THE HONORABLE LOUISE SLAUGHTER
RULES COMMITTEE BUDGET REQUEST
THURSDAY, MARCH 10, 2005

Mr. Chairman, Ms. Millender-McDonald, members of the Committee. It is a pleasure to be here today with my friend, David Dreier, to present to you our budget request for the Committee on Rules. David has made a very thorough presentation with which I agree. I only want to touch on a few items.

Mr. Chairman, the practice of committing 1/3 of the salary dollars to the minority when Democrats were in control has held us in good standing since 1994. David has continued the practice of a non-partisan administration of the Committee and has provided us with 1/3 of the committee staff slots and 1/3 of the dollars necessary to fund those slots.

This Congress, David and I are requesting another modest increase primarily to address salary issues. As you know the great majority of our budget goes to staff salaries. I think that I have one of the most dedicated staffs in the House. They have specialized knowledge that has been built over the years, and we need to do our best to keep these people working in the House.

Mr. Chairman, in order to keep these folks from being lured away to the private sector or the Administration, we need to keep salaries competitive. This budget proposal makes a step in the right direction. Historically, the Rules Committee has not asked for the substantial increases in funding that other committees have and as a result finds itself playing catch-up in the area of salaries. While I understand the fiscal restraints in play this year, I hope that the Committee will be generous so the Committee can make up some of that lost ground in regard to staff salary levels. Under the budget request, I will be able to make modest cost-of-living adjustments to reward my staff for the great job they do.

Mr. Chairman, with regard to the increase in staff slots, while I support the request for an increase and I believe that it is justified, I must point out that the funding request -- which will amount to approximately $32,000 for this year for the minority -- will not provide the dollars to pay any salary for the additional minority slot. I would hope that you and the Committee will keep that in mind when considering the funding level provided to the Rules Committee.

I would also like to speak in support of the technology and equipment requests. Many times the Rules Committee finds itself in the rather unique position of being the first Committee to receive copies of bills and conference reports. The ability to quickly disseminate this material to the membership of the House has become an important duty of the Committee and it needs the technical resources to make that happen. David has assured me that all of the minority's technology requests including computers will be met and I thank him for it.

Let me conclude by reiterating that we on the Democratic side of the Rules Committee support the request that the Chairman and I present to you this morning. On that note, Mr. Chairman, I am prepared to answer any questions that you might have.

The CHAIRMAN. I really don't have any questions. You have had a budget over the years that has been very conservative and austere. You know, times change; electronically, things need up upgraded. You have always been very responsible in the submissions of the budget, so I really don't have any questions.

Ms. MILLENDER-MCDONALD. Yes. I will simply say that it is great to hear that you two have a good working relationship. The chairman has indicated by his remarks that it is a one-third, one-third, one-third, and that all is working well.

It is important that you do upgrade the equipment, because people are looking at us across this Nation. One committee Chair had even asked that we provide them with the types of screens that we have here so that you will be able to—persons will be able to see you just outside of your hearing room.

Mr. DREIER. Ms. Millender-McDonald, if I could respond to that quickly to say that Mrs. Slaughter has specifically requested that we not have these screens in the Rules Committee. So I just want you to know for the record that we have not——

Ms. SLAUGHTER. We don't have room in there for all of this equipment.

Ms. MILLENDER-MCDONALD. Well, I do not want to open Pandora's box on anything.

Ms. SLAUGHTER. You are going to make me say I really don't want to see myself. I really prefer to remember myself as I was.

Ms. MILLENDER-MCDONALD. Mrs. Slaughter, you mentioned, though, that, even given the increase in the budget that the chairman has outlined here, that only yields you $32,000 for a staff position. Is that what you are saying?

Ms. SLAUGHTER. That is right.

Ms. MILLENDER-MCDONALD. Is it for an increase in an already current staff or would this be additional?

Ms. SLAUGHTER. No, these would be additional.

Ms. MILLENDER-MCDONALD. So you would not really yield a very experienced professional of staff.

Ms. SLAUGHTER. I think I will not be able to hire anybody for that small amount.

Ms. MILLENDER-MCDONALD. Yet the budget that, Mr. Chairman, you are providing for us would not have any type of increase in that range of salary?

Mr. DREIER. We do have to add an additional level to it. You are certainly welcome.

Ms. MILLENDER-MCDONALD. That is not what I am aspiring to do. I just wanted to know within the constraints of what you have given us.

Thank you, Mr. Chairman.

Ms. SLAUGHTER. I just do want to say that the upgrade in the technology is critical. We are called upon, as you point out, to disseminate bills and the information quickly. We really need to upgrade pretty quickly. How long has it been?

Mr. DREIER. A while.

Ms. SLAUGHTER. It has been several years, I think, since we had new computers.

The CHAIRMAN. Other questions?

I want to thank both of you for your testimony today.

Mr. DREIER. Thank you very much. I hope we helped put you back on schedule.

The CHAIRMAN. Thank you.

We move on. Transportation is scheduled. Obviously, they are on the floor. We would rather have them there getting that bill through than here.

Agriculture will be next. We have the chairman, Mr. Goodlatte, and the ranking member, Mr. Peterson.

Welcome, and we will start with the chairman.

Mr. Goodlatte.

STATEMENT OF HON. BOB GOODLATTE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA

Mr. GOODLATTE. Thank you, Mr. Chairman.

Mr. Chairman, Ms. Millender-McDonald and members of the committee, it is a pleasure to be here today in support of the Agriculture Committee's 109th budget request with my good friend and ranking member Collin Peterson. Collin brings a great deal of energy and enthusiasm to his new position, and I look forward to working with him in continuing the Agriculture's Committee longstanding tradition of bipartisanship.

Our committee's primary focus in the 109th Congress will be laying the foundation for the 2007 Omnibus Farm Bill. This legislation, known simply as the Farm Bill, directs U.S. agricultural policies for a 7-year period.

It is a monumental task. It requires an extensive field hearing schedule. These field hearings provide all members of the committee the opportunity to explore the efficacy of current agriculture policies in all regions of the country. We are looking for what works, what does not and where efforts are being duplicated. The last two Farm Bills have managed to move the government from in front of the tractor to its side, to more of a partnership.

The Omnibus Farm Bill encompasses most of the areas under the committee's jurisdiction, a wide range of issues that includes farm programs, forestry, food stamps, pesticides and commodities trading regulation, rural development and the farm credit system.

In order to properly prepare this legislation, we are asking for one additional staff person. It will be an administrative, nonpartisan, assistant clerk position. Since we have been operating at the staff level set by the Speaker in 1995, this is a modest and necessary request.

With the exception of our travel budget request, which will fund our expanded field hearing schedule, the balance of our budget categories reflects necessary and minimal increases which are the result of our increased workload or simple inflationary costs.

It is my hope that you will recognize that the Agriculture Committee has a long history of fiscal responsibility. Our committee's tradition of harmonious relations and fair play between the majority and minority reaches back 2 decades under the control of both parties. We intend to continue that tradition and ask that you grant us the funds to do the job at hand.

I thank you for your time and consideration.
I want to thank the Chair.
The CHAIRMAN. I want to thank the Chair. Thank you.
[The statement of Mr. Goodlatte follows:]

STATEMENT OF BOB GOODLATTE
CHAIRMAN, HOUSE COMMITTEE ON AGRICULTURE
BEFORE THE COMMITTEE ON HOUSE ADMINISTRATION
MARCH 10, 2005

Mr. Chairman, Ms Millender-McDonald and Members of the Committee, It is a pleasure to be here today, in support of the Agriculture Committee's 109th Budget Request, with my good friend and new Ranking Member, Collin Peterson. Collin brings a great deal of energy and enthusiasm to his new position, and I look forward to working with him, and continuing the Agriculture Committee's longstanding tradition of bipartisanship.

Our Committee's primary focus in the 109th Congress will be laying the foundation for the 2007 Omnibus Farm Bill. This legislation, known simply as the "Farm Bill", directs U.S. Agricultural policies for a seven year period. It is a monumental task. It requires an extensive field hearing schedule. These field hearings provide all Members of the Committee the opportunity to explore the efficacy of current Ag policies in all regions of the country. We are looking for what works, what does not, and where efforts are being duplicated. The last two Farm Bills have managed to move the government from in front of the tractor, to its side, to more of a partnership.

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farm programs, forestry, food stamps, pesticides and commodities trading regulation, rural development and the farm credit system.

In order to properly prepare this legislation, we are asking for one additional staff position. It will be an administrative, non partisan, assistant clerk position. Since we have been operating at the staff level set by the Speaker in 1995, this is a modest and necessary request. With the exception of our travel budget request, which will fund our expanded field hearing schedule, the balance of our budget categories reflects necessary and minimal increases which are the result of our increased workload or simple inflationary costs.

It is my hope that you will recognize the Agriculture Committee's long history of fiscal responsibility; our Committee's tradition of harmonious relations and fair play between the majority and the minority reaching back over two decades under the control of both parties. We intend to continue that tradition and ask that you grant us the funds to do the job at hand.

Thank you for your time and consideration.

The CHAIRMAN. Mr. Peterson.

STATEMENT OF HON. COLLIN PETERSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. PETERSON. Thank you, Mr. Chairman.

I have a statement which isn't here, so I will do what I do a lot of times. I will wing it.

So I appreciate the chance to be here; and I look forward to working with my good friend, Mr. Goodlatte, in a bipartisan matter on the Agriculture Committee, as we always have. We appreciate, Mr. Chairman, your leadership; and we congratulate Ms. Millender-McDonald for her elevation to the ranking member of the Committee and look forward to working with all of you on the Committee over the years.

As the chairman said, we have a lot of things to work on in the Committee, primarily getting ready for the Farm Bill debate, which will take place in 2007. I was involved in putting together the 2002 Farm Bill. We went through the same kind of process during that time, and it takes a lot of work and a lot of effort to get around the country.

The issues that we have in Agriculture really are not Democrat/Republican issues. Usually, they are between commodities, between regions, between different kinds of interests in agriculture.

In 2002, we were able to get to a point where nobody liked the bill, but everybody could live with it, and that is kind of how we have to put together the farm bills. So I support the request for the resources so that we can do that process.

The other thing that I would point out is—I believe I am right on this—that out of the 45 members of the House Agriculture Committee, I think there are only six members that have been there for more than one Farm Bill. So we do have, you know, responsibility to get our members out around the country so that they can be up to speed when we get ready to go that.

Over the years, the procedure in the Agriculture Committee has been to share the staff on a one-third/two-thirds basis, which has been, I guess, the way they have done that, I guess, the last number of years.

As I understand it, we have committees that are moving in the direction of not just having a one-third/two-thirds split on salaries but actually splitting the committee budget one-third for the minority, one-third for the majority and that the minority would have control and say over their one-third of the resources. So the chairman and I have been discussing this and talking about it, but at this point we haven't been able to come to a resolution of that situation.

I feel like we have a new situation, my coming into this position, and I think that we ought to move in the direction that some of the other committees have moved. So I am still of the opinion that we ought to split this entire budget one-third/two-thirds and with the minority be able to control our part of the resources.

So, in spite of the fact that I support the overall budget, I am not here today to support the budget for the committee, because we have not resolved this issue. I hope that we will be able to resolve

it as we move through the process, but we haven't been able to do it yet at this point.

So, again, I appreciate your leadership, Mr. Chairman and the ranking member, the other members, and look forward to working with you and with the chairman as we move through this process.

[The statement of Mr. Peterson follows:]

Statement of Mr. Peterson

Ranking Minority Member, House Committee on Agriculture
Hearing regarding Committee Funding for 109th Congress
Committee on House Administration
March 8, 2005

Mr. Chairman, I thank you for today's opportunity to discuss the Agriculture Committee budget. I'd also like to take a moment to congratulate my colleague on becoming House Administration Committee Ranking Member and I look forward to building a strong working relationship with this committee.

Mr. Chairman, I also echo the sentiment that the committee has enjoyed a well-earned reputation for bipartisanship. I have every expectation that the committee will continue to benefit from a collegial relationship.

Chairman Goodlatte lays out an aggressive agenda for the Committee, one that I believe is necessary in order to meet our oversight and legislative responsibilities. Preparing for the Farm Bill and possible budget reconciliation will consume significant resources. The committee also has several new members, including many who have little experience with the complex details of agricultural policy. Part of our responsibility will be to make sure that committee members are educated and best-prepared to meet the challenges of the next Congress. I believe the budget request we present today reflects fiscal restraint measured against our enormous responsibilities in the coming years.

However, I regret that I am unable to support this committee budget proposal today. Chairman Goodlatte and I have yet to reach agreement on the matter of minority resources. Past practice on our committee has operated under an arrangement of one-third of staff positions and salaries (after excluding shared employees). Additional minority resources for equipment and other expenses has been a majority-driven process. There is no autonomy on minority expenses.

As I understand one of your goals, Mr. Chairman, and in keeping with the Speaker's desire, each committee should allocate one-third of its resources to the minority. It's my understanding that this model should include one-third of staff positions, one-third of the budget, and autonomy over how those resources are used. I commend this committee's efforts to encourage this allocation arrangement. As you know, several committees today operate smoothly in large part because of the fairness with which minority resources are allocated.

Chairman Goodlatte has listened to my request to align the Agriculture Committee's allocation process with the goals of the Speaker and the Committee on House Administration. I believe he is working hard to keep the best interests of the House and the committee at the forefront in the process, and it is my hope that we can soon reach agreement on the matter of minority allocation.

The CHAIRMAN. The gentlelady.

Ms. MILLENDER-MCDONALD. Thank you so much. Thank you both so much for being here.

It has been a practice of mine in this short 2 months that I have been here—and congratulations to you, Mr. Peterson, for your position on the committee—to kind of check with the leadership to make sure that—what her requests are. I am providing the answers for that.

Mr. Goodlatte, I know that there has been a principle of this committee to have the one-third, one-third and control. I am now concerned that that is not what I have heard over the last 24 hours as to Mr. Peterson's position.

My question to you is that, while perhaps previous ranking members have not engaged in this on a very forceful nature, would you be willing to now come back to the principle that has been approved by this gentlemen/gentlelady's agreement of both your leader and my leader to have the one-third, one-third control?

Mr. GOODLATTE. Well, Ms. Millender-McDonald, thank you. The fact of the matter is that we have some concerns, and we have some ongoing discussions with Mr. Peterson, and I would not be prepared to say at this time that I would agree to that.

Quite frankly, if you look at the expenditures by the committee, the minority has received well over one-third of the payments in each of the last 2 years while I have been serving as chairman of the committee.

In 2003, they received $221,000 in administrative expenses, expenditures for their benefit of that amount. They would have received under the one-third split only $127,000, almost $95,000 less.

In 2004, $323,561 was expended for their benefit. They would have received $116,000, or almost $200,000 less, or only about one-third of the amount that we actually expended.

Now part of this comes from the fact that, while we do split the salary portion of the expenses, we have on the Republican side expended less than we have needed, and we have used some of that additional resource to bring them up to what we think is the appropriate level of technological capability with the equipment that we have purchased for them. We think that it is important for us to continue to do that, and we think that the majority staff has the expertise to do that.

In the 108th Congress, our committee exceeded the two-thirds/one-third goal by $300,000 more in administrative expenses than the minority would have received with a two-thirds/one-third budget split.

Ms. MILLENDER-MCDONALD. Well, I thank you for that historical perspective.

While that might be the case, it is extremely important for the minority to have some sense of its freedom to spend the budget as he sees fit. That has been the request of the minority leader, that all of the ranking members have that autonomy to do that.

Given that, at this point, you are unable to guarantee that is a concern of this ranking member. Because I am absolutely here at the pleasure of my leader, and she has been very forceful in this principle that she and the Speaker have agreed to. So that this chairman here has followed that type of request.

So it is incumbent upon us to engage in this dialogue with the chairman, because it is imperative that there is a good working relationship as we move into this 109th Congress and that the ranking member has that ability to exercise those principles that have been outlined by the leadership.

Ms. LOFGREN. Would the gentlelady yield?

Ms. MILLENDER-MCDONALD. Yes.

Ms. LOFGREN. Because I think certainly Mr. Goodlatte and I have worked on many issues together in the Judiciary Committee, in particular, and this isn't a question about whether you have been fair. Because that is really not the point. That is not the issue. The issue is whether the minority has a right to the default position of one-third salary, one-third budget and control over the one-third, unless you agree otherwise. And you haven't agreed otherwise.

So I really think—as I said earlier, I know you hear the majority can do whatever it wants by majority vote. But if we are going to make this a bipartisan effort, we are going to insist when people have not otherwise—that if a ranking member wants a default position, they have that right; or else you can do it on your own without Democratic votes. But I don't think that is the way we want to proceed.

Mr. GOODLATTE. I understand the position of the minority. It is one that you have taken caucus-wide with your leadership. I note that of the 19 or 20 standing committees, only five are doing this this way.

The chairman of the committee is elected as a result of the process that the Congress follows to determine the operation of the Congress and the committees, and the chairman has responsibility to make decisions for the benefit of the entire committee.

The Agriculture Committee has always operated on a very strong, bipartisan basis, and it is certainly my intention to continue that tradition with Mr. Peterson. I understand Mr. Peterson's perspective. So far, we do not agree on following this procedure. I think that the committee, in a bipartisan way, has acted very responsibly in terms of taking care of the needs of the minority staff and the minority members of the committee; and we intend to continue to do that.

Ms. MILLENDER-MCDONALD. Mr. Goodlatte—I am sorry. The gentlewoman, please.

Ms. LOFGREN. I just wanted to make the point that I think there needs to be some discussion on the other side of the aisle on the implication on this and whether the implication is to just have a party line vote for all the committee budgets or not. That is really a decision that probably the Speaker needs to make, because it is not just about us. So I would urge that those discussions take place, because this is not going to work out well unless they do, and I thank the gentlemen.

The CHAIRMAN. Mr. Brady.

Mr. BRADY. Thank you, Mr. Chairman.

Mr. Chairman, you are right. Maybe five or six committees in this House have not adhered to a complete one-third/two-thirds, but that was——

Mr. GOODLATTE. If the gentleman would yield, three-quarters have not; only one-quarter have.

Mr. BRADY. But that is at the agreement of the Ranking Member and the Chairman. They agreed to that because they probably have their own—what they need to do in their own committee, and they are both happy with that. So we don't try to intercede.

What I have heard from you is, in the past, you have given more than one-third. Are you looking forward to agreeing to give more than one-third in the future?

Mr. GOODLATTE. I am not going to agree to anything regarding what is needed for the committee in the future until I know what the committee's and the minority's, in particular, needs are.

But you do have my commitment to continue to be very fair, as all of my predecessors—as the chairmen of the committee have and who have all operated under this system, which protects both the interest of the majority and the responsibilities of the chairman and, I think the evidence is very, very strong, has also protected the interests of the minority.

Mr. BRADY. Yes, if you would agree to the one-third, it would seem to me you would fare a lot better in the future than you have in the past.

And there is another little problem—not a problem, just a different thing that happened here. We have a new ranking member, and he has to feel his oats, too. We don't want to hinder him just because the previous member did or didn't get along a little better, whatever. Not that he is the new guy down the block or anything, but I would just wish you would rethink that. I am sure our chairman is working on that. If you don't get the one-third, then you are both in agreement that you are going to distribute whatever ratio you are going to need to distribute.

Mr. GOODLATTE. Thank you, Mr. Brady. You are absolutely correct. If we were to do the two-thirds/one-third split, we would come out better. The fact of the matter is, my responsibility as the chairman is to the whole committee, not just to the majority side. I have always taken that position. I think it is reflected in the bipartisanship that you see in the Agriculture Committee.

Mr. Peterson and I have worked together on many things over many years. We have a disagreement on this issue, and I have agreed to continue to discuss it with him. But that is how I see my responsibility and my role.

Ms. LOFGREN. Mr. Chairman, I just hope that the chairman can rethink his position. Because what Mr. Peterson, the ranking member, is asking you to do is not to respect his interests but to respect his rights. I would hope that that would be the ultimate conclusion or else we will have a fight about the whole budget, which I think would be unfortunate.

I thank the chairman for yielding.

Ms. MILLENDER-MCDONALD. Just one comment, Mr. Chairman.

You noted that only a third of the committees are adhering to this two-thirds/one-third ratio. While that might be the case, nevertheless, when you come to us, they have all said that they would adhere to this principle that the leaders of this House have set forth for each chairperson and his or her ranking member.

This particular ranking member is fighting for that formula. So it is out of that respect that you should then try to come to that agreement, because he is fighting for the principle that has been outlined by the leadership that we all should be adhering to.

So I am requesting you to really go back and rethink this so that we can say this has been a bipartisan effort and each member and each chairperson and the ranking member coming to us in good faith. I sure hope that you go back and think that over.

Mr. GOODLATTE. I thank the gentleman.

The CHAIRMAN. I don't want to prolong this. We have other ranking members that came.

I just want to ask a question, so I can get it a little clear in my mind, of the ranking member. What control would you be seeking that has not been there, what type of control of the funds?

Mr. PETERSON. Well, I have no doubt from what I have heard in the past the chairman has been fair. I guess—I am not saying that. But, you know, I am new to this. I was not involved in that process before.

As I understand it, there is—the effort is to try to move in this direction on all the committees. I have talked to some of the other ranking members that have this agreement, and they prefer it, and you know our leader prefers it. So just starting off new—I just think, you know, this is the way we ought to be proceeding not only on the Agriculture Committee but on all of the committees. You know, we have talented people on our side. We can manage our resources; and, you know, I just feel more comfortable moving ahead with that process.

Mr. GOODLATTE. Mr. Chairman, if I might add to that.

My chief of staff has just reminded me of, I think, a very pertinent point with regard to this entire discussion about the division of resources. There are four committees other than your own committee that do that now. The majority share of a two-thirds/one-third split of each of those four committees is greater than the entire budget of the Agriculture Committee in the last Congress. If we were to go ahead and agree to do this, I think that we would need a very substantial increase in our committee's budget that we are not seeking.

We have historically been one of the most fiscally conservative committees. In the last Congress, we were the only committee that had fewer staff than members of the committee. We have fashioned our budget request for this year on the same basis; and Financial Services, Government Reform, Homeland Security and Ways and Means all receive anywhere from 5 to $10 million more in their appropriations than the Agriculture Committee does. So what you are asking us to do is to put us in a situation that is a lot tighter than it is for some of the other committees that have agreed to do this.

Ms. MILLENDER-MCDONALD. Mr. Chairman, may I respond to that?

The CHAIRMAN. Yes.

Ms. MILLENDER-MCDONALD. Mr. Chairman, what we are suggesting here is what you have proposed to us is not in concrete anyway at this time. We will have to negotiate to see whether or not that can be possible.

Mr. GOODLATTE. I understand.

Ms. MILLENDER-MCDONALD. In the event that is not possible, we have asked the chairman, if this budget is cut, will you still hold the minority harmless and that you will still provide this two-thirds/one-third ratio. It is irrespective of whether or not what you have requested will be given to you. It is a formula. It is a principle that we are holding to, irrespective of the final bottom line of your budget.

Mr. GOODLATTE. Well, Ms. Millender-McDonald, the fact of the matter is that each one of these committees is in very different circumstances; and the Agriculture Committee, with as tight a budget as we have, faces some different considerations than other committees might face.

Without knowing what expenditures we are going to encounter in the future, what I can tell you, in terms of your request for holding the minority harmless, quote, unquote, is that we will, as we always have been, be fair to the minority, because I consider it the responsibility of my entire staff and myself to operate our committee as a whole entity that has, indeed, historically been fair, including the 2 years that I have been chairman, and we will continue that.

Ms. MILLENDER-MCDONALD. And fairness means two-thirds/one-third.

Mr. GOODLATTE. Fairness means taking into account the needs of the majority staff, the minority staff, what equipment and other things that are necessary to operate the committee effectively and making sure that both the majority and the minority get what they need to operate effectively.

Mr. BRADY. Mr. Chairman.

The CHAIRMAN. Mr. Brady.

Mr. BRADY. Mr. Chairman, I must apologize, because I am not the type of guy that wants to, you know, to stretch things out, but I am a little confused.

If you are sitting there telling me you are putting a budget together that you want to get from us and you don't know if you can make a commitment to distribute it one-third or two-thirds because you don't get enough money, I say to you, go back and do your budget, do it again, do it with the help of the ranking member and come back to us tell us, we want one-third/two-thirds, and you have probably got a better shot of getting that budget increased more than this budget. At least with this side of the aisle you do.

Mr. GOODLATTE. I appreciate that, Mr. Brady. If that is what the Congress decides to do with all of the committees, we might have to do just that. But I am a fiscal conservative, and I think we report a fiscally responsible budget.

Mr. BRADY. We don't have to do that with all the committees. We just have to do that with this committee to make it work.

The CHAIRMAN. Let me go back to one point I want to ask the ranking member. So, today, you don't have a specific idea about what you can't control. You don't have that yet?

Mr. PETERSON. Well, the way that it has operated in the past is that we received one-third of the salary budget, and that was it, and everything else is done by the majority. As I understand what is being done in other committees is that the other aspects of the budget are decided based on the priorities of the ranking member

within the rules of the House and your committee and our committee.

We are not going to be doing anything outside the rules, but we don't have control. We are basically told this is how it is going to be done. And, you know, it may be that we will agree on that. But, again, it is a principle that, you know, we ought to have a third of the resources, we ought to be able to decide how those are allocated on our side of the aisle, based on the rules of the House and your rules and——

Ms. LOFGREN. Mr. Chairman, could I ask a question?

The CHAIRMAN. I just wanted to clarify. The rules of the House, nothing says that there has to be one-third.

Mr. PETERSON. No. No, I am just saying—we are not going to be doing anything that is not, you know, approved by—you know, we are not going to be spending money that is outside of the rules of what you can spend it on for official purpose of the committee.

The CHAIRMAN. The one rule of the House is that the Chair, whether it is myself or Mr. Goodlatte, the Chairs are responsible——

Mr. PETERSON. Right.

The CHAIRMAN. The majority Chairs are responsible to sign off for things, and they have, we have the responsibility——

Mr. PETERSON. Right.

The CHAIRMAN [continuing]. Under the rules of the House to have the—have to sign, obviously, for travel and other items.

Mr. PETERSON. But what has happened——

The CHAIRMAN. The Chair is held accountable, is what I am saying, under the rules of the House.

Mr. PETERSON. Right. We understand that, and we know—but what happens in the other committees, as I understand it, is that they have an agreement between the chairman and the ranking member that, you know, the requests or the allocations of the resources are, as long as they are within the legal rules, you know, are worked through——

Ms. MILLENDER-MCDONALD. Mr. Chairman.

Mr. PETERSON [continuing]. The ranking member and the chairman. And that seems to me, you know, that is what the leadership has said they want to do. That is where, as I understand it, we are trying to move in the Congress so that——

Ms. MILLENDER-MCDONALD. Mr. Chairman, that is indeed what we are saying here. It may not be a hard and fast rule, but it is a principle. It is the agreement that has been made by the leadership of this House that we share in the formula of a two-thirds/one-third. Anything that deviates from that norm, then we need to go back and talk to the leadership of this House. Because this is then diverting from what they have set forth as a standard.

So while it may not be a law, it is a standard, it is a principle, and it is the guiding principle that has guided all the chairpersons and the ranking member. So it is unfair to even sit here and say that we will accept a chairperson who refuses to abide by the principles without going back to our leadership, asking what their position will be, given what our position will be.

The CHAIRMAN. The gentlelady.

Ms. LOFGREN. I would question—it seems to me there is real—really, the default position is what the Financial Services Committee is doing. And they came in, and they are happy. I mean, Mr. Oxley and Mr. Frank said they divided two-thirds/one-third. Mr. Frank has a third of the salary. He has got a third of the budget. He controls his third. It works fine. I don't know the details of how they do that, but that is what the leadership has agreed to.

The only time that changes is when the committee and ranking member agree to some other mode of behavior, which is what we saw with Mr. Hyde and Mr. Lantos, and that is fine, too.

But I think if we are going—if the ranking member doesn't agree to what the leadership—to change that the leadership has agreed to, we can't do that.

So I mean although, as I mentioned earlier, I know this really—this isn't worked out, this is an issue that is way bigger than this committee. It is really about the Speaker and Leader Pelosi and whether we have a bipartisan approach to this, which we won't have, I can guarantee you, if the agreements are not held to. I think that is a shame, because we should be working on a bipartisanship basis.

Mr. PETERSON. Mr. Chairman——

The CHAIRMAN. If I could inject here, I think we are putting the cart way, way ahead of the horse today.

There were several references to a bipartisan vote. The first vote, as I understand the history of the House, was Steny Hoyer and I when we had the first bipartisan vote in the history of the House. Now I can get us 217 votes on the floor tomorrow morning—everybody is going to be horrifically uncomfortable. I can do that with a 1 percent increase, and, you know, we can just go about the business. So there are 100 ways to light that board up and win or lose. I don't want to do that today, to decide that.

Ms. MILLENDER-MCDONALD. Right.

The CHAIRMAN. I will tell you one other thing, though, perspective I want to give you, because I have been here 10 years Steny Hoyer and I went forth with the understanding we wanted to get to that goal, and Bill Thomas did an awful lot when he chaired this committee, and Mr. Hoyer was here to try to get to that goal.

I have got to tell you, I wasn't here in 1994. I got elected and came here in 1995. There were so many historical hard feelings here, it was unbelievable. Some of it was because—Energy and Commerce, the minority got 18 percent of the money. I mean, you can go down and look at that. So I heard that when I came here.

Ms. LOFGREN. I did, too.

The CHAIRMAN. But Bill Thomas went—like I said, went a long, long way to get there.

The other problem—and Steny Hoyer and I sat down and negotiated with some of the committees, and it was a tough road on a couple of the committees. I won't mention—it wasn't Agriculture.

But what happened is Agriculture, in defense of Mr. Goodlatte, signed off. The one-third was in the eye of the beholder in the sense that some committees split halfway down. [I think we split money on some of the new Member orientation.] I forget how we do that. But each was different. So the last ranking member signed off and said, yes, this is the one-third and was happy with it.

Now you have a new ranking member——

Mr. PETERSON. If I could just—you know, I don't know that this is ever going to be a problem. But, for example, if we don't have the one-third/two-thirds with the authority, you know, we have a lot of hearings to set up, we have a lot of places we have to go around the country. You know, the way—if you don't have that authority, the Chair, you know, the majority could just set up those hearings, and I wouldn't have any leverage to have any say if I didn't agree with what we are doing if they control the travel budget.

So, you know, I don't think it is ever going to be a problem. But we feel like we ought to have input into at least where some of the hearings are. We ought to have input into the equipment. Not that it is ever going to be a problem.

This way it is in writing, and that means that we do have a say. We understand the chairman is responsible. We understand he has to sign off. It is just a matter of principle. I am not sure it is ever going to be a problem, but this is a decision that was made, and we just think we should follow it to see if we are starting off with a new regime here.

Mr. GOODLATTE. Mr. Chairman.

The CHAIRMAN. I am hearing something that is going down a whole different road here. Never in the history of the House—whoever controlled the Chambers, has the minority been able to set their own travel.

Mr. PETERSON. No, no, no, I am not saying that.

The CHAIRMAN. Okay. You don't want to be able to set your own——

Ms. MILLENDER-MCDONALD. Mr. Chairman, I think what he merely said, and I heard, he wants input.

Mr. PETERSON. Right, into the hearing schedule.

Mr. GOODLATTE. Mr. Chairman.

Mr. PETERSON. Which I am sure we will have.

Ms. MILLENDER-MCDONALD. Can we agree, Mr. Chairman, to sit with these two gentlemen and see whether we can try to work something out at a later time than this so we can get on with the others?

Mr. GOODLATTE. Mr. Chairman, you make a very important point regarding the responsibility of a chairman of the committee for the expenditures of the entire funds of the committee.

This committee—and I know Mr. Peterson has not been the ranking member, but I also do not believe that he would disagree that the entire number of years that Mr. Stenholm was ranking member there was a lack of consultation. There is nothing arbitrary about the expenditures of the committee nor the decisions about when to hold hearings, or the decisions about where to hold hearings. They are always done in consultation with the minority.

Now we don't always agree on everything, of course, but we have always done so in consultation with the minority, and we certainly intend to do that with regard to travel needs that Mr. Peterson might suggest.

However, I do have that ultimate responsibility, whether I divide the one-third or not. I think that in exercising that responsibility the approach that I am taking is the correct one.

But I also agree, Ms. Millender-McDonald, that we will continue this discussion, and Mr. Peterson and I have a great deal of common interests in promoting the success of our committee's work.

The CHAIRMAN. Thank you. I want to thank both of the members for being here today.

We will move on next to the Armed Services Committee. I think our chairman is here, Mr. Hunter, and also our ranking member, Mr. Skelton. I want to thank both the gentlemen for being here.

We will start with the chairman, Mr. Hunter.

STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. HUNTER. Mr. Chairman, thank you——

The CHAIRMAN. You will want to hit the microphone button.

Mr. HUNTER. Okay.

The CHAIRMAN. Got it.

Mr. HUNTER. Thank you, Mr. Chairman and Congresswoman Millender-McDonald and members of the committee. Thanks for letting us appear before you and present to you our funding resolution for the 109th. I am here with my good colleague, Ike Skelton, and join with him in presenting this request today.

The budget submission provides significant detail, so I wanted to touch just on some highlights.

Our request is roughly $13.3 million, $6.38 million for 2005 and $6.9 million for 2006, which is 11.75 percent above the committee's authorized funding level for the 108th. It is based on the need to continue and expand the committee's considerable oversight responsibilities.

The bulk of the increase is to allow for a small increase in the size of the staff as well as support cost-of-living allowances, merit increases and adjustments in view of the Speaker's recent pay order.

It also reflects a 3-year replacement cycle for computer work stations, continuing upgrades for information technology infrastructure; and we also plan to continue enhancements in our ability to operate remotely and securely if we are disrupted and if we should have to go off site. So we plan to continue to work with House Information Resources (HIR) to take full advantage of the remote operating location to establish off-site storage and remote access options.

As you know, we have in the Armed Services Committee an essentially nonpartisan staff within which Mr. Skelton maintains control over 10 slots. For purposes of all committee operations—pay, equipment, supplies, office space, parking, et cetera—Mr. Skelton's staff is treated in exactly the same manner as the rest of the staff.

The committee's request reflects a level of resources that I think is necessary to attract and retain technically qualified staff, which is always a problem. We have lots of folks leaving us too—whether you have a Republican or Democratic administration, always lots of folks leaving to go to the administration, because they have got a lot of expertise and their capability is valued by every administration.

It is also, I think, important to note that our committee has traditionally maintained one of the smallest staffs in the House relative to its jurisdiction and the broad oversight responsibilities and the actual size of the committee. You know, we are now up to 62 folks on the committee. So even with staff at fully-authorized levels, the committee staff-to-member ratio is roughly one to one.

We traditionally have spent wisely. I think if you look at our numbers, we have often turned money back to the House, and we don't spend money unless we have to.

Mr. Chairman and members of the committee—and I know Mr. Brady can attest to this because he is a valued member of our committee—we have got a vast responsibility. We have got a 2.5 million person force. We have got two hot wars going on right now. We have responsibility for over half the discretionary budget. If you look at our numbers compared to the other committees, we are fairly low in terms of the number of staff that we maintain.

You know, we maintain—I have listened to the discussion about the two-thirds/one-third. We have—I think we are a unique committee. Defense issues can be on an irregular basis, partisan issues. We have had those arm-wrestling sessions in our committee, just like you have in every committee but in most committees a lot more often than we have in Armed Services.

Let me give you an example. To support this war right now, to support our troops, we have 14 task forces that we have got staff members assigned to who are working on everything from jammers to armor, to force protection, communication. I have got people who are doing nothing but contacting the families of people who have been killed in action, families of people who are clearly making sure that things are taking place that should be taking place. We have our teams out making sure that we are resetting the force, making sure we are taking care of equipment when we bring it back from the theater to make sure that it is ready for the next operation.

We really have a very large area of responsibility, and we don't have a lot of staff members. Our staff is nonpartisan, and I know it is hard to, sometimes, in the context of the political battle that we do—necessarily do on the Hill that you should have a committee like that, but it is because the issues of national security are especially nonpartisan issues.

Rarely, we do have to draw the battle lines and do battle. And the reason you have a nonpartisan staff—but with a number of members assigned—10 members assigned to the minority, you think that is unusual, how many members are assigned to the majority. The answer is none.

The reason we did that is because, back in the days of Les Aspin and Mr. Dickinson, Bill Dickinson, we realized we were going to have some partisan battles, and we said that the minority needed to have at least—even though most of the stuff we do is nonpartisan, we needed to have at least a center of gravity, a core of staff folks who could—that the minority could use.

In those days, it was for the Republicans who—which you rarely did, would draw the partisan lines, would be able to serve the Republican members, or, in this case, today, serve the Democrat members, in those few times when you have a partisan line. The

rest of the time, these members are out there working away on the many subcommittees, working for both parties and doing their job.

Strangely enough, this has worked well. That means that everybody is pulling in the same direction. That is, serving the troops and serving our Armed Forces 95 percent of the time.

When we have to arm-wrestle over a partisan issue, the minority has people they can rely on whose job is to be their supporters, and so they don't feel like they are offending—the staff members don't feel like they are going around the many which it is their job to rally around and support—in the old days, support Bill Dickinson; in these days, support Ike Skelton. When we rarely do cross sabers—and that happens now and again—but our committee, because of the nature of what we do, isn't partisan.

So we have—I think we have a well-run operation. We do need to have—we have got 59 folks now, going to 61 within a week, and we will be at 64, which is our allotment. Because we have got new things coming up, Mr. Chairman. We have got this lifting of the arms embargo to China, which is going to have major impact on our security situation, which needs a lot of work.

On our security situation, which needs a lot of work, we have got technology transfer, trying to keep systems from going to the bad guys. We have got the ongoing war against terrorism, and we need to fill these additional slots. We are going to be up to our 64, which is allotted, in just a week or two, and we would like to go to 67. But I think in the context of what we do for the country in our area of responsibility, it is a reasonable thing. So I would like to turn to Ike and have him give you his perspective here, but that is mine.

[The statement of Mr. Hunter follows:]

Statement of the Honorable Duncan Hunter
Chairman, Committee on Armed Services
before the
Committee on House Administration

March 10, 2005

Mr. Chairman, Congresswoman Millender-McDonald, and members of the committee, I am pleased to appear before you today to present the Committee on Armed Services' funding resolution for the 109th Congress.

My friend and the committee Ranking Minority Member, Ike Skelton, joins me today in presenting our request.

The budget submission provides significant detail, so I will touch only on the highlights.

Our budget request for the 109th Congress is roughly $13. 3 million -- $6.38 million for 2005 and $6.9 million for 2005 – 11.75 percent above the committee's authorized funding level for the 108th Congress.

The committee's budget request is based on the need to continue and expand the committee's considerable oversight responsibilities over the Department of Defense and ongoing military operations.

The bulk of the increase in the committee's request is to allow for a small increase in the size of staff as well as support cost-of-living allowances, merit increases and adjustments in view of the Speaker's recent pay order.

The committee's budget request also reflects a three-year replacement cycle for computer workstations and continuing upgrades to our information technology infrastructure. For instance, at the request of several members, we plan to explore extending wireless network capability in the committee hearing rooms.

The committee also plans to continue enhancements in our ability to operate remotely and securely if significant disruption in operations should result. The committee plans to continue working with HIR to take full advantage of the remote operating location to establish off-site storage and remote access options to enhance continuity of operations.

As you know, the Armed Services Committee operates with an essentially nonpartisan staff, within which Mr. Skelton maintains control over ten slots. For purposes of all committee operations – pay, equipment, supplies, office space, parking, etc. – Mr. Skelton's staff is treated in exactly the same manner as the rest of the staff.

The committee's request for the 109th Congress reflects a level of resources that I believe is necessary to attract and retain technically qualified staff.

It is also important to note that the Armed Services Committee has traditionally maintained one of the smallest staffs in the House relative to its extensive jurisdiction, broad oversight responsibilities and actual size of the committee. Even with staff at fully authorized levels, the committee's staff-to-member ratio is roughly one-to-one.

This committee has traditionally spent wisely and will continue to do so. I believe our request reflects what is needed to do our job. Although he will certainly speak to the issues himself, Mr. Skelton supports the request before you today.

Mr. Chairman, I look forward to working with you in my capacity as Chairman of the Armed Services Committee and your support of this request is appreciated.

Thank you for the opportunity to testify and I stand ready to answer any questions.

The CHAIRMAN. Thank you, Mr. Chairman.
Mr. Skelton.

STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mr. SKELTON. Mr. Chairman, Ms. Millender-McDonald, thank you for hearing us today.

I echo Chairman Hunter's comments regarding the staff, and in particular our staff regarding pay, COLA, equipment and the like. And what he has explained in the background, going back to Bill Dickinson, which I will remember when he was the ranking member when I first went on the committee.

We are different in two respects. We, by and large, are very bipartisan. War is not a partisan issue. And secondly, the budget that we put out, $440 billion every year and climbing, 18 percent of the total Federal budget, one-half of the Federal Government's discretionary budget, and if you look at the numbers of staff that we have, they meet themselves going and coming. They are professionals, they all have security clearances. We just can't go out and hire someone off the street that is smart and able. We have to have very experienced and highly skilled staff, as well as those who meet the criteria for security. So I think that we are well within bounds.

And if you look at some of the other committees, the number of staff that they have, and compared to the workload, Mr. Chairman and Ms. Millender-McDonald, what we have, we do an awful lot with an awful lot less, and I am very, very proud of the staff that we have. If anything, the bottom line is what the chairman says.

Of course we could all use more, but we tend to be more on the conservative side of it. And I will tell you, and I know Mr. Brady will agree, the staff is not only good, not only professional, but they work very, very hard. Many, many weekends you can't find them except at the office, and that is what they are doing. With the tremendous responsibility that we have, we hope that you will meet our request.

The CHAIRMAN. Well, I thank both gentlemen. I really don't have any questions, but I do have a comment.

I have worked with both of you, and I appreciate your insights on military, our troops. I have had the pleasure to be able to spend time with both of you, and I appreciate your patriotism and your respect for each other and the system.

Also, you talked about all the things you are handling, and I know Robert Rangel is back there, and when I get—you get e-mail from troops today. And I have had several issues and I call him, and people on the staff answer to him. It is comforting to know because you shouldn't just call the bureaucracy side and say well, what do you think, I call you all. And I know other Members are doing, and your Staff Director, and your staff has always responded. And I feel the answer we get back makes me comfortable that we are doing everything humanly possible for the troops and the needs. So I just appreciate that response, both you and the Staff Director and the staff over there.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman. And I applaud both of you for the work that you do on Armed Services;

it is a tremendous responsibility. The committee itself is so needed in this time that we have here. And I have followed a lot of what you do because of the position we are in in war, and so I applaud you so much.

My few questions that I have to Mr. Skelton is, do you have control of your one-third of the budget that is given to you by the chairman?

Mr. SKELTON. We don't look at it one-third/two-thirds. I have control over the staffers that work for me, I have numerous recommendations on everything from witnesses to hearings to trips and the like, and Mr. Hunter hears me well on those. I don't think we can say we have a one-third/two-third. That has never been the situation of the Armed Services Committee as such.

I control the ten members who actually work directly for me, and I choose them. And I might say they are very, very good at what they do, as well as the professional staff of which Mr. Hunter spoke. Any Member can—Democrat Member can pick up the phone and call a member of those who work for me, regardless of specialty, or pick a member of the professional staff regarding his or her specialty and get help. That has been the way it has worked through the years. And it works well, it works well for the country and for the troops.

Ms. MILLENDER-MCDONALD. It seems like you two have a very good working relationship, and as Mr. Hunter has outlined the way by which he has been able to move the budget and to ensure that you have been satisfied with those movements I think is laudable to the chairman.

Mr. Chairman, you did speak of having to increase staff from the level you have now to 64, and perhaps ultimately getting to 67. How much of that staff will be converted to the minority side?

Mr. HUNTER. Well, again, first, with respect to hiring staff, I have never asked a staff member if they are Republican or Democrat, and I don't know of our staff members. I know it seems strange, we have got a professional staff which is bipartisan, or that is professional staff responsive to all Members. And then you have got a minority team of 10 staff members. And so—and I don't know of those staff members that are dedicated to the minority which of them were hired by Republican chairmen or Democrat chairmen over the years.

So we have truly a staff which is not only bipartisan and nonpartisan, but because of my bad memory and probably that of the other senior members, we can't remember who hired them or where they came from. We know one thing, and that is that they do a good job.

So of these members, if we get three additional members, what Ike and I will do is talk it over and talk about what we need. I ultimately will hire these folks, but what we need to hire them for are these issues that are really nonpartisan issues. In my estimation, just looking at the state of the world, I think this lifting of the arms embargo on China is going to provide enormous problems for the United States and issues for us, some of which are very complex. So we need people who can understand what the Europeans are going to be doing, what we need to do to try to stem critical killing technology that could end up killing Americans on

the battlefield from going over to China from our allies; and secondly, if they do that, what should be our response as Americans.

That capability is something that is going to be hard for us to find, but those are the types of people that I would like to get for this additional three people, if we can get them. And I can assure you I will discuss these folks with Mr. Skelton, and we will try to come up with some good folks, but they won't be hired for a split, you know, Republican-Democrat split.

Mr. SKELTON. I think there is good expectation, however, that I would have one of those three in all probability. Am I correct?

Mr. HUNTER. Oh, excuse me. Ike will get one of those people, but my urging to Ike is that we, as we put together our job requirement for these three folks, that they have capability in this new challenge that we are being handed by what is going to happen probably around June, which is this lifting of this arms embargo. So I would hope that we can both search for talent in that area.

Mr. SKELTON. The search for talent, he is absolutely right, because every staff member is not an expert in everything. Mr. Brady will fully tell you that. So consequently you look for a certain one for certain areas.

But as the chairman said, I have full expectation of one of those. What exactly that expertise will be I don't know and I don't think he would know right now.

Mr. HUNTER. Let me put it this way, Ike will hire one of those three folks. My recommendation is that I want Ike to listen to me on his hire, and I am going to listen to him on the two hires. We will work this together.

Ms. MILLENDER-MCDONALD. Well, I am really encouraged by what you are saying here because the job and the task that you have in this committee really should supersede and not be a factor in terms of bipartisan or partisan, because war is, I think Mr. Skelton said, is not a partisan thing. And so I am very encouraged by what you are saying, and the seamless way, it seems, that the staff moves back and forth, irrespective of whether it is Republican or Democrat, and that is very encouraging.

Mr. Chairman, I did see, though, on your request that your franking request has a little bit increased considerably from $673 to $16,000 roughly, as we see here, a vast percentage of increase there.

Can you tell me why is that, and what would you perhaps perceive what that increase in franking might be in terms of mailing? What is your anticipation of that increase with reference to mailing?

Mr. HUNTER. We don't really do a lot of franking, but we anticipate we will try to—we are going to be trying to have hearings around the country, and that is more of a placeholder, if you will.

Ms. MILLENDER-MCDONALD. So it is a placeholder for perhaps the traveling as opposed to the mailing?

Mr. HUNTER. Yes.

Ms. MILLENDER-MCDONALD. I see.

Mr. HUNTER. Yeah, we have a fairly low franking operation.

Ms. MILLENDER-MCDONALD. All right. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Brady.

Mr. BRADY. Mr. Chairman, I wouldn't dare to ask either one of these gentlemen a question, but I just want to make a comment that I am honored and proud to serve under the ranking member and the chairman of the Armed Services Committee. They do one outstanding job doing a hard job every single day, and the staff, protecting this country and protecting our men and women in harm's way, and I am proud to serve under them.

Mr. HUNTER. Well, thank you, sir. I appreciate it, Mr. Brady, and we appreciate you.

Mr. BRADY. Thank you very much.

The CHAIRMAN. Gentlelady.

Ms. LOFGREN. Just two questions, or maybe three.

First, obviously this is working well, and we are going to accept the budget, and express our admiration to you both for all of the work that you do for our country.

I had a question on the additional staffing that has come up with other committees. Do you have sufficient space to house additional staff?

Mr. HUNTER. Yes, we do, from what I get from our——

Ms. LOFGREN. I think your Staff Director is wincing.

Mr. HUNTER. He is hovering in the background here. Let me find out.

As I told you everything is fine, he said no, it is a real challenge.

Ms. LOFGREN. I was going to say the body language is different behind your back.

Mr. SKELTON. My staff is whispering in my ear and basically saying the same thing, we can use some more room.

Ms. LOFGREN. That is what we have been hearing from everybody.

And on the franking, I understand you may not be actually using the increase for franking, but is franked mail from committees subject to the same kind of constraints that we face, for example, the 90-day window before elections? And does franked mail go through the advisory opinion process like mail we send out from our offices, and shouldn't it?

Mr. HUNTER. You know——

The CHAIRMAN. Do you want me to answer that?

Mr. HUNTER. Yeah, go right ahead. I am going to defer to the chairman.

The CHAIRMAN. Well, the committees are not under a 90-day blackout rule, as Members' offices are. Also, the committee franking technically does not have to go through the same approval process, although some committees will bring us the—and we would highly suggest they bring us—the piece to spare them problems.

Ms. MILLENDER-MCDONALD. Mr. Chairman, though, while you have made those overtures, Mr. Chairman, on that, we do want to bear in mind that the committees, they do not come under the same process or procedures as one's own personal office, that nonetheless the funding that is provided for them is funded through appropriations. So we are still talking about a certain amount of constraints when it comes to the type of franking mail and the cutoff period for that franking mail to go out. So that should be for the record.

Mr. HUNTER. Okay. I appreciate that. And I am looking, Mr. Rangel has handed me my balance for—fund balance for franking for 2003. We spent $673.74, and in 2004 it was $470.97.

The CHAIRMAN. Mr. Chairman, just to clarify, aren't you going to use your frank for the theatre hearings?

Mr. HUNTER. We intend to do that. But in the past we have had very low franking expenses, and most of our franking has gone traditionally just to administrative correspondence with the relevant DOD departments.

The CHAIRMAN. Thank you. Other questions? Thank you very much.

Mr. HUNTER. Thank you.

The CHAIRMAN. We also had got a notice that the Science Committee was to be up today. They are required, both the chair and the ranking member, to go onto the floor, so they apologize. So we will have to reschedule that one, and that is the last one that we had for today.

Transportation was required to be on the floor, and like I said, they needed to be, and we can reschedule that one, too.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman.

The CHAIRMAN. I ask for unanimous consent that members have 3 business days to submit their statements and materials for the record. Without objection, it will be entered. And also unanimous consent that the staff be authorized to make technical and conforming changes on all the matters. Without objection.

We have completed our business, and the committee is in recess.

[Whereupon, at 12:45 p.m., the committee was adjourned.]

COMMITTEE FUNDING

WEDNESDAY, MARCH 16, 2005

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC.

The committee met, pursuant to call, at 1:20 p.m., in room 1310, Rayburn House Office Building, Hon. Robert W. Ney (chairman of the committee) presiding.

Present: Representatives Ney, Ehlers, Miller, Millender-McDonald, Brady and Lofgren.

Staff Present: Paul Vinovich, Staff Director; Jeff Janas, Director of Committee Operations; and Jack Dail, Franking Commission, Staff Director.

The CHAIRMAN. The meeting will come to order. The ranking member of the Transportation Committee is late, but we will begin with the chairman, Mr. Young.

Mr. YOUNG. If it is all right with you, Mr. Chairman, we will proceed. Mr. Oberstar will be here.

The CHAIRMAN. If you could turn your mike on.

Mr. YOUNG. See, we do not have this modern technology in my poor little room. We have to press a switch.

The CHAIRMAN. We can get you whatever you want, especially this week. Especially this year.

Mr. YOUNG. Mr. Chairman, I do appreciate being able to present our budget to you. I had a suggestion, that if you would just give me the money I am asking for I will not read my statement. Is that good?

The CHAIRMAN. Not a bad deal to me.

Mrs. MILLER of Michigan. Anyone looking for a motion?

STATEMENT OF HON. DON YOUNG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALASKA

Mr. YOUNG. Anyway, again, this is my third Congress as chairman to appear before you, and the Committee on Transportation and Infrastructure, as you know, is the largest committee in the history of Congress. Members of Congress want to serve on this committee because it addresses the needs of American citizens for safe and efficient transportation.

A modern efficient transportation system is vital to our Nation's economy and an integral part of the high standard of living and the quality of life Americans deserve. As such, our committee will address the problems and needs associated with every mode of transportation: The roads, of course; the bridges, which are outdated and worn out; aviation system; railroads; waterways and ports. We ad-

dress America's emergency management services and Federal infrastructure needs.

Just last week, Mr. Chairman, as you know, we approved a $284 billion highway and transit bill that will benefit every district in the Nation and create hundreds of thousands of new jobs in all 50 States.

Our committee, as you know, is organized into six subcommittees: The Subcommittee on Aviation; Subcommittee on Coast Guard and Maritime Transportation; Subcommittee on Highways, Transit and Pipelines; Subcommittee on Economic Development, Public Buildings and Emergency Management; Subcommittee on Railroads; and the Subcommittee on Water Resources and Environment.

The full committee will continue to perform oversight and investigations, which we are required to. We have requested a modest increase in the committee salary allocation to provide a yearly cost-of-living increase and to adequately reward superior performance. We have not asked for an increase in the committee's staff ceiling. We feel it is essential to take advantage of the technology available and to present information in the most efficient means to our Members. Our plan is to upgrade systems to keep pace with that technology.

I also believe that one of the most important services of the committee is to hold field hearings throughout the Nation on legislation and oversight matters in the affected communities. Therefore, I will be asking my subcommittee chairmen to take their subcommittees outside of the Beltway to those communities most impacted by matters under our jurisdiction.

Our increased funding request for travel is a result of the planned field hearings and oversight and investigative trips. Our request for $9 million in 2005 and $9.5 million in 2006, for a total of $18 million, is our best judgment for what we need to carry out our legislative and oversight function.

Finally, I would like to thank my good friend and colleague, who will be here soon, Congressman James Oberstar, the ranking member of the committee. Our committee continues in a spirit of very bipartisan cooperation to solve the Nation's transportation and infrastructure problems in a fiscally responsible manner. Congressman Oberstar and his staff have been most helpful in developing this proposed budget, and I do appreciate their assistance.

While we cannot foresee the future, the next 2 years offer the twin promises of great progress and great challenge. We expect them to be busy and productive and ask that while you are considering our funding request, also consider the additional resources we require as the largest committee in the 109th Congress.

That is my statement, Mr. Chairman, and I will answer any questions.

[The statement of Mr. Young follows:]

Statement of
The Honorable Don Young, Chairman
Committee on Transportation and Infrastructure
Before the
Committee on House Administration
March 10, 2005

Mr. Chairman and Members of the Committee, I am honored to be before you today beginning my third Congress as the Chairman of the House Committee on Transportation and Infrastructure.

The Committee on Transportation and Infrastructure is, as you know, the largest committee in the history of the Congress. Members of Congress want to serve on this committee because it addresses the needs of American citizens for safe and efficient transportation.

A modern, efficient transportation system is vital to our nation's economy and an integral part of the high standard of living and quality of life Americans deserve.

As such, our Committee will address the problems and needs associated with every mode of transportation - our roads and bridges . . . our aviation system . . . our railroads . . . our waterways and ports . . . . and we'll address America's emergency management services and federal infrastructure needs.

Just today (Thursday) we (will) approve(d) the $284 billion highway and transit bill that will benefit every district in the nation and create hundreds of thousands of new jobs in all 50 states.

Our Committee is organized into six subcommittees.

- Subcommittee on Aviation
- Subcommittee on Coast Guard and Maritime Transportation
- Subcommittee on Highways, Transit and Pipelines
- Subcommittee on Economic Development, Public Buildings and Emergency Management
- Subcommittee on Railroads
- Subcommittee on Water Resources and Environment

The full Committee will continue to perform oversight and investigations.

Additional resources are essential to maintaining our long history of providing excellent service to our Members - on a bipartisan basis - and producing thoroughly researched and effective legislation, and to attracting and maintaining highly qualified staff. Our budget request will provide these essential resources. Retaining the staff necessary to fulfill our obligations in the coming years is essential.

We have requested a modest increase in the Committee's salary allocation to provide a yearly cost of living increase and to adequately reward superior performance. We have not asked for an increase in the committee's staff ceiling.

We feel it is essential to take advantage of the technology available to present information in the most efficient means to our Members. Our plan is to upgrade systems to keep pace with that technology.

I also believe that one of the most important services a committee can provide is to hold field hearings throughout the nation on legislation and oversight matters in the affected communities. Therefore, I will be asking my subcommittee Chairmen to take their Subcommittees outside of the Beltway to those communities most impacted by matters under our jurisdiction.

Our increased funding request for travel is a result of the planned field hearings and oversight and investigative trips.

Our request for $9.0 million in 2005 and $9.5 million in 2006, for a total of $18.5 million is in our best judgment what we need to carry out our legislative and oversight functions for this Congress.

Finally, I want to thank my good friend and colleague, Congressman James Oberstar, the Ranking Member of the Committee. Our Committee continues in a spirit of bipartisan cooperation to solve the nation's transportation and infrastructure problems in a fiscally responsible manner.

Congressman Oberstar and his staff have been most helpful in developing this proposed budget and I appreciate his assistance.

While we cannot foresee the future, the next two years offer the twin promises of great progress and great challenge. We expect for them to be busy and productive and ask that while you are considering our funding request, also consider the additional resources we require as the largest Committee in the 109th Congress.

The CHAIRMAN. I thank the chairman for his time, and I know Mr. Oberstar is on his way.

One question we have asked, and we will Mr. Oberstar, is about the two-thirds/one-third, which you have been through last time with Mr. Oberstar, of how the resources are divided.

Mr. YOUNG. I believe we did it like we have always done it. It is two-thirds/one-third. We have always been fair. I do not think we have ever had a difference of opinion on that.

The CHAIRMAN. I really do not have any questions. I will see if our Members have questions.

I did want to note that I have been on Transportation for 10 years, and I enjoyed the first chairman and the ranking member, Mr. Oberstar, and not just because you are sitting here, because I have not said this to everybody—but I have enjoyed your chairmanship and, again, Mr. Oberstar.

The other thing is, I give you a lot of credit for your tenacity. You pushed when some people have been angry on either side of the aisle, and that is okay in this business of what is good for people. You and Mr. Oberstar have kept this agenda right out front, where it needs to be, with what is going on in the United States, with the population increase and transportation.

And the other thing you have done, too, I have a rural area, but you have been able to show us in the committee, both of you and your staffs, that there are other situations out there that we need to pay attention to. We may not have certain transit situations in our districts, but we need to care about it. We may not have certain waterway situations, but we need to care about it. So you have given an overall comprehensive look at transportation.

I give you so much credit for both of you working together and producing the wonderful bill you did that is going to make a better way for people who are not even going to know our names. But for future generations in our districts, it is literally making visible impacts on our regions. I know our people appreciate it back home.

So thanks to the chairman and ranking member.

If the ranking member has an opening statement, I will let you go into that.

STATEMENT OF HON. JAMES OBERSTAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. OBERSTAR. I will submit my statement for the record, Mr. Chairman.

You have eloquently and fulsomely described the work of this committee, and I know, because I have seen the chairman's statement prior to the hearing, and I regret being delayed with our Minnesota State Society.

The CHAIRMAN. If you could press the button on the mike.

Mr. YOUNG. He told me they have this fancy stuff.

Mr. OBERSTAR. Yes, ours is live. We have a button to swing in our committee.

But you referenced, Mr. Chairman, the rural needs. Our transportation bill that you voted for has $540 million over the next 5 years of the legislation dedicated to rural road-safety initiatives. First time that we have had such a designation set aside for the

specific needs of rural areas, and the Chairman is a very vigorous advocate for that provision.

Forty-three percent of America's fatalities are in rural areas, and half of those killed on rural roads are people from urban areas. Urban America has a very keen interest in rural road safety.

But overall, the legislation that we brought to the floor last week, and hopefully will get through conference this time, makes a significant downpayment on the Nation's transportation needs.

But we have more than surface transportation. In all, we have nearly $500 billion of authorizations in our committee, to include the Water Resources Development Act; the Clean Water Revolving Loan Fund, $20 billion bill pending in our committee; the reauthorization of the Federal Economic Development Administration programs. We will, in the next year, have to confront the needs of the Aviation Trust Fund. All of those are massive investments in what makes America work. It moves people and goods in our society. Investments we cannot afford to fail to make.

The chairman has said often, and I have as well, China is investing $200 billion and doubling the capacity of their ports. They are halfway through a $100 billion airport improvement program, building six new airports, already completed; modernizing 35 existing ones, and now moving to another $100 billion airport development program for the interior of China to develop regional aviation and another $150 billion to be invested in building the equivalent of our interstate highway system in the next 15 years. We cannot afford not to make those investments in America.

We have to improve our transportation infrastructure to move our economy forward and keep it competitive. The roads that we build and the rails that we build and the airport facilities that we build are not done in Taiwan or Singapore or Sri Lanka. They are built right here in America with American labor and American steel. And as a member of our Steel Caucus, Mr. Chairman, you know the Buy America provision in steel is critical. It saved over 100 million tons of American steel over the last 20 years.

[The statement of Mr. Oberstar follows:]

STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
RANKING DEMOCRATIC MEMBER

BEFORE THE
COMMITTEE ON HOUSE ADMINISTRATION
MARCH 10, 2005

Mr. Chairman, Ranking Member Millender-McDonald, and Members of the Committee, it is a pleasure to be here this afternoon with Committee Chairman Don Young to speak to you briefly in support of the Transportation and Infrastructure Committee's budget proposal for the 109th Congress. I would like to take a moment to congratulate the Gentlelady from California on her position as Ranking Member of this Committee. I know from her many years on the Transportation and Infrastructure Committee that she is dedicated to her constituents and to this Body. I know that she will do a fine job as Ranking Member of the House Administration Committee.

I strongly support Chairman Young's proposed budget which seeks only modest increases above the funding we received in the 108h Congress. These increases are necessary to provide our staffs with yearly cost of living increases and rewards for superior performance; to ensure that the Committee has the technology we need to analyze information and present it accurately to Members; and to permit us to conduct in depth oversight, including field hearings in affected communities.

Our Committee has always been bipartisan, and this budget is no exception. We have worked together to develop our request. The budget will treat the minority fairly. We will receive funding to employ 1/3 of the staff, with one staff member shared between the Majority and Minority. Although we will not have our own budget for Committee travel and equipment, Don Young has always given us a fair share of the overall budget for these expenses, and I am confident that this will continue in the 109th Congress.

If we are to carry out our responsibilities in the 109th Congress, we will need all of the resources Chairman Young has requested. The next two years are extremely important for the Committee and for the programs that we authorize. And considering the current fiscal situation, they could prove to be quite challenging as well. The legislation we will consider could provide nearly $400 billion for infrastructure funding over the next six years including:

- Highway, highway safety, and transit (TEA LU): $284 billion;
- Water Resources Development Act: $4-5 billion;
- High speed rail, Amtrak, and freight rail: $60-80 billion; and
- Wastewater infrastructure: $20 billion

These programs have enormous consequences for the safety and security of our nation, and for the productivity of our economy.

To give you an idea of the magnitude of these bills, I cite as an example the reauthorization of our Highway, Transit, and Highway safety programs. Today the House is poised to pass [has passed] the Transportation Equity Act: a Legacy for Users. As reported out of the Transportation and Infrastructure Committee, the bill is 957 pages long and provides nearly $284 billion in guaranteed funding for highway, transit, and highway safety programs over 6 years, including funding nearly 3,000 high priority projects sponsored by individual Members.

Putting together a bill of this size is no job for amateurs or the unmotivated. The scope and complexity of our transportation and infrastructure legislation places tremendous burdens on our staff. We must retain, and adequately compensate, the motivated and experienced professionals who will put our reauthorizations bills together. We not only have the TEA 21 to reauthorize this year, but we also have massive water and rail bills as well.

The benefits of the transportation and infrastructure projects authorized by our Committee reach beyond any one particular sector of society and serve society as a whole. These projects are important not only to our society as a whole; they are

spread throughout the country and are important to citizens in every Congressional District and to our colleagues who represent them.

I strongly support the Committee's budget proposal for increased funding and I share Don's commitment, and that of the other Members of our Committee, to get the staff and dollars we need to do the job right. I know we can count on you to recognize the importance of our work. Thank you for your consideration

The CHAIRMAN. Well, I want to thank both the chairman and the ranking member again for all the great things I think you have done for the country.

The gentlewoman from California.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman, and let me join in the sweet refrain of what you have said earlier. Really, I am on this committee, and I know how well this committee works. They have worked in concert over the years that I have been in Congress, at least for the 9 years I have been here, and we have an extraordinary opportunity now to move goods and people more aggressively.

The growth of this country is tremendous, and yet we have not built the roads and bridges to the capacity they should, given the growth. So I am pleased to sit on this committee with two fine gentlemen who take leadership by the tail and they move the agenda.

Mr. Oberstar, you were not here earlier when the chairman asked about the two-thirds/one-third formula that is in concert with all of the chairs and ranking members. Is that amenable to you, and are you satisfied with the operation working with your chair?

Mr. OBERSTAR. The division of funding has worked without problem, and we are very pleased with the relationship we have with the majority leadership of the committee.

Ms. MILLENDER-MCDONALD. That is what the chairman said, so you are right on point with him.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Mr. Ehlers.

Mr. EHLERS. Thank you, Mr. Chairman. One thing I always look for in a committee as we go through these reviews is the efficiency of the operation of the committee, and I am pleased to say the Committee on Transportation and Infrastructure operates very efficiently, and they use their money well. It is hard to find any waste, except perhaps they could clean their restroom a little more often. But other than that, it is a very smoothly operated entity.

Mr. OBERSTAR. Get your mop out.

Mr. EHLERS. Thank you. Finally got that through.

It is just a well-run committee in every sense of the word. So, clearly, their funding request deserves very favorable consideration.

I did want to comment a bit further on the statement from the ranking member when he talked about infrastructure and our problems vis-a-vis China. I am very concerned about this, and that is why I was glad to hear the chairman saying we are going to get out in other parts of the country and hold hearings. Because we have a mammoth educational job to do. I am just amazed that the public today does not understand what infrastructure is and what role it plays.

Mr. Oberstar, I was born in your State, the southwest corner, in a small town of 800 people, Edgerton. I remember well in the early—I guess right after World War II—when we put in sewer and water, the immense civic pride that went into that. They were so proud that they had that infrastructure and did not depend on septic tanks and home wells and so forth.

Today, I live in the city, and when these city commissions try to increase water fees slightly to improve infrastructure, people complain about the increase in the rates. They literally do not know what is under the ground. They do not know what is involved. They do not know what it is causing.

I have seen the figures of what is needed in this Nation. I am a little concerned that all these cities, townships, whatever, are coming to us and saying we cannot afford it, you will have to do it. They can afford it just as well as we can, but they have to help us educate the public on the nature of the problems and what has to be done, and they have to be willing to pay the bill. It is not going to be good old Uncle Sam coming to help them, other than through the revolving fund, which I think is great.

If my little old town of 800 people could afford to put in water and sewer de novo, certainly the people today can afford to pay the cost for improvements. And we have to improve it. And it is not just water and sewer, it is highways, bridges; it is transit. That is why I love being on this committee, because it is all of these important things and good things that are wonderful for the people, which they support, but we do have to do a little education. You do not get anything for free in this business.

So thank you for raising that.

The CHAIRMAN. I thank the gentleman.

The gentlewoman from Michigan.

Mrs. MILLER of Michigan. Thank you, Mr. Chairman. I do not know that I have a question, but perhaps an observation.

I am at a slight disadvantage, since my other three colleagues all serve on the Transportation Committee, and they have articulated very well what a wonderful job you are doing and how cost-efficient the Transportation and Infrastructure Committee is. But it occurred to me, just listening to the conversation, that even though I am not actually a member of your esteemed committee, I utilize your services and expertise extensively, as does I think every Member of this body. That was particularly evident during the recent consideration of the transportation bill, in its subsequent passage, because I am sure that all Members were talking to each of you about the different kinds of challenges and needs in their respective districts. So yours is a committee that is unique in some way because it does service the entire Congress and the Nation.

Another observation: All the transportation needs have been talked about, but the economic growth has historically always followed the transportation grid, whether it was the wagon trains, then the railroads or the interstates and the airlines or what have you. So the work that you are doing is of huge importance to our economic stability and the future of the economy of our very Nation, in my opinion.

I have read through the statement and the documentation, and I would just say, certainly, that I appreciate everyone being fiscally conservative. I like to think of myself as that as well, but I also think the business of the American people needs to get done and particularly on a committee like the Transportation and Infrastructure Committee, so I applaud both of you, the chairman and the ranking member, and the Members for their diligent work on these issues.

Mr. YOUNG. Thank you.

The CHAIRMAN. I thank the gentlewoman.

Just in closing, we do have a tight budget, as usual, but we will try to give every consideration of the needs, considering the importance of the committee overall to the Congress.

Also, I would be remiss if I did not mention that our staff tells me that working with your staff has been a delight. They get things on time, the details and all the other things that sometimes go wrong do not go wrong with your staff, and they communicate. So the relationship of the entire staff, minority and majority, has been a very good working relationship with the committee.

Mr. OBERSTAR. Mr. Chairman, could I just——

The CHAIRMAN. Sure. Of course, Mr. Oberstar used to be a staff member.

Mr. OBERSTAR. That helps to understand how this place works.

The observation of the gentlewoman from Michigan and the gentleman from Michigan as well, you do not see partisan smoke coming out of our committee. We have differences. They are often regional in nature. They are differences of approach. But in the end, we have worked those out for the greater good of the country.

But I cannot help but note the observations of the gentleman from Michigan about investment in our wastewater infrastructure. The Clean Water Act in 1972 had the purpose of investing wastewater construction grants in the major metropolitan areas first to clean up the biggest waste streams. And those were very expensive dollars, very expensive projects.

The plan was, after the first decade, to then shift the emphasis to communities of 25,000 or less. And just at that time, the Reagan administration came in and terminated the Clean Water Grant Program over a 2-year period and then shifted it into the Revolving Loan Fund.

Those smaller communities, with the narrower tax base, with fewer resources, without migration, with industries shutting down, found themselves unable to finance the improvements to existing facilities or build the ones they needed. And the 70–30 matching grant programs, which later became 80–20, now was gone for them.

So the smaller communities of America are not in the same relative position to clean up as the larger metropolitan areas have been and continue to be. So I think it is important for us to move to the House Floor the Clean Water Revolving Loan Fund $20 billion, 5-year bill, as quickly as our House leadership will allow it to happen and address the needs of rural America. Otherwise, you are simply going to have a repeat of the migration from rural America to urban centers that happened in the 1930s when 26 million people left the countryside in America and went to the cities.

Now you have all those problems of overcrowding and drugs and every other imaginable problem that you could avoid if we keep people where the quality of living is better, where they prefer to be and where we can provide the amenities and necessities of life.

The CHAIRMAN. I thank both gentlemen for your time today.

Mr. YOUNG. Thank you, Mr. Chairman and Members. It is always a pleasure to ask for money, and, hopefully, we will receive it.

The CHAIRMAN. Thank you.

Next, we will move on to the Science Committee.

I want to welcome our ranking member, Mr. Gordon, and we will go ahead and begin with you, and Mr. Boehlert, I am sure, will be here.

STATEMENT OF HON. BART GORDON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Mr. GORDON. Mr. Chairman, thank you for allowing us to present our budget today.

The CHAIRMAN. And if you will push the button right in front of your mike there.

Mr. GORDON. This one. There we go. Mr. Chairman, the Science Committee ought to know how to use these things, but I think you are much more high-tech than we are.

Thank you for letting me be here today. As Mr. Ehlers can confirm, we have a very good working relationship on the Science Committee. I want to congratulate our new ranking member. I hope that her relationship with her chairman can be as good as we have with the Science Committee. We work well together both as Members, and the staff has worked very well also.

So I really am here to say amen. But you are supposed to let Sherry say what he is going to say first. But I will give a preliminary amen to his recommendations. We really do, again, have a good working relationship.

A couple of things I would like to point out, though, is the Science Committee, probably more than most, as Vern can tell you, has a very good professional staff, most of which have advanced degrees, and it is more difficult to get those folks and more expensive. So we are very pleased with our committee.

But what has happened here in the last couple of years is that we have had a lot of additional responsibility, with the shuttle crash, with Return to Flight, with reorganization of NASA; there are a variety of additional responsibilities. So I would like to make a request from this committee that we have our committee slots increased.

Right now, we have 61, and, again, I would like to get Sherry's concurrence, but to go from 61 to 63. And let me give a little background.

Since the 106th Congress, ten committees have received additional staff slots while the Science Committee has received no additional staff slots, even though we have had this significant addition of responsibilities here. Thirteen committees are requesting additional increase in staff slots than in their 108th authorization.

I would also say that, at least from my standpoint, we do not request any additional funding. I am not looking for additional funding over our normal request for those additional slots. I think we can take care of it within the budget that we have, and I would make that request.

Again, I would support our chairman in what, I am sure, will be a good suggestion to you.

Do you want me to dance or do anything here while we are waiting?

The CHAIRMAN. If you are like me and you dance, you will be thrown out of office.

One question I have while we are waiting for Mr. Boehlert, because there are certain questions I will ask, obviously, of the chairman, about the two-thirds/one-third split of the resources. Do you have any comments on that?

Mr. GORDON. You know, I do. The fact of the matter is, I would prefer the so-called one-third/one-third with control. We do not have that now. We get one-third of the staff; we get one-third of the funding, but we have to go through the committee for whatever we are going to do.

The young man right here could not be any better to work with, but our chairman is going to be term-limited, in one of your bad decisions, in 2 years. You do not know what is going to happen with the next chairman. And I think that, as a policy, it would be better, like most committees, to have the one-third/one-third and have that control.

But I am not here to specifically request that today. But since you asked, I would like to put a benchmark down because that may need to be done in the future. And if you choose to do it, I think it would be good, and we would be happy. And if you want to do it as a policy across the board, I think it would be the good and right thing also.

The CHAIRMAN. Other questions of Mr. Gordon?

The gentlewoman from California.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman. It is good to see you, and we certainly do not want you to dance. You are minus one limb there to some great degree or maybe a limited degree. We are happy to know you do work well with Mr. Boehlert. He is a fine man. And it is always good to know both the chairman and the ranking member are working in concert.

You have already outlined that you do get a one-third/one-third of the budget. It seems like it is a traditional thing that the ranking member does have to go to the chairman for the requests, but we want to make sure that the chairman is amenable.

Mr. GORDON. He is certainly receptive. But sometimes, there can be a time frame. It would be more efficient, I think, if you did not have to wait. It would be more efficient across the board. I think it is a better policy. I think that anybody in the majority needs to think about how do they want to be treated if they are in the minority later. As well as when we are back in the majority, which will happen at some point——

Ms. MILLENDER-MCDONALD. That is right.

Mr. GORDON. Are we acting responsibly as a minority ourselves?

Ms. MILLENDER-MCDONALD. Absolutely.

Mr. GORDON. So that is the way we need to all look at these things.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I see Mr. Boehlert has come in, so you may want to allow him to make his statement, and then I will go on with questions.

The CHAIRMAN. I want to thank the chairman for arriving, and if you would like to make your statement, then we will go into questions.

STATEMENT OF HON. SHERWOOD BOEHLERT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. BOEHLERT. Thank you, Mr. Chairman.

I will try to be brief. I should say at the outset that Mr. Gordon and I have a completely cooperative relationship. We have had no disputes over any committee budget matter.

I would add parenthetically that, since we developed it, Mr. Gordon has asked if they could have an additional staff person without any additional money, and I would support that request. And we are seeking no additional staff members for the majority side.

I propose to maintain a two-thirds/one-third salary account split. That has been the committee's practice for a number of years. We did not have to be advised to do it. We did it. Others have followed. The minority has about one-third of the committee staff and uses its salary account as it sees fits.

Mr. Chairman, the Science Committee is requesting a 2005 budget allocation that would be about 6 percent higher than what we received for 2004 and then about a 5 percent increase over 2005 levels for 2006. There are a number of clear reasons why this request is justified in our mind.

First, the committee intends to write a NASA reauthorization bill that will set the course for our Nation's space program for years to come. This activity will likely entail considerable travel to NASA's facilities to understand the impact of their proposed NASA budget. I should note, in this regard, the NASA budget request seems to envision facility closures and layoffs that make visiting NASA's facilities even more essential to our business.

Also, these visits will enable our new Space Subcommittee chairman, Mr. Calvert, to become more fully acquainted with the full range of NASA facilities and activities.

Second, the committee continues to upgrade its staff. This year, we are likely to have all our staff positions filled all year, and I would point out, it is highly specialized staff with people with Ph.Ds and graduate degrees, understandably so to deal with the very sophisticated subject matter that our committee is dealing with. The majority staff, in addition, has been attracting more Ph.Ds and attorneys and individuals who have had considerable private-sector experience, and we are continuing in that vein.

Third, our copiers and computers are nearing the end of their useful lives. And as a prudent business decision, we want to replace some of that in this Congress in an orderly pattern.

We certainly understand the funding constraints under which we will all be operating this year. We have worked hard to minimize our expenses, seeking out and negotiating good prices with contractors and suppliers, and seeking to travel at the lowest cost available. And, incidentally, we are not dispersing our subcommittees all over the country for hearings. We are very limited in our away-from-Washington hearings, because we know the need to conserve dollars. But we do need a budget increase to continue our oversight and legislative responsibilities.

In short, I believe we have put forward a reasonable and well-documented request that will enable the Science Committee to continue to play an active role in a wide range of issues, and I look forward to any questions you may have.

[The statement of Mr. Boehlert follows:]

CONGRESSMAN SHERWOOD BOEHLERT (R-NY)
TESTIMONY TO HOUSE ADMINISTRATION COMMITTEE
SCIENCE COMMITTEE BUDGET REQUEST
March 10, 2005

Mr. Chairman:

Thank you for the opportunity for Mr. Gordon and me to appear before you today. I should say at the outset that Mr. Gordon and I have an extremely cooperative relationship, and we have had no disputes over any Committee budget matter. I propose to maintain the two-thirds/one-third salary account split that has been the Committee's practice for a number of years. The minority has about one-third of the Committee staff and uses its salary account as it sees fit.

Mr. Chairman, the Science Committee is requesting a 2005 budget allocation that would be about 6 percent higher than what we received for 2004, and then about a 5 percent increase over 2005 levels for 2006. There are a number of clear reasons for this requested increase.

First, the Committee intends to write a NASA authorization bill that will set the course for our nation's space program for years to come. This activity will probably entail considerable travel to NASA's facilities to understand the impact of the proposed NASA budget. I should note in this regard that the NASA budget request seems to envision facility closures and layoffs that make visiting NASA's facilities even more essential to our business. Also, these visits will enable our new Space Subcommittee chairman, Mr. Calvert, to become more fully acquainted with the full range of NASA facilities and activities.

Second, the Committee continues to upgrade its staff. This year, we are likely to have all our staff positions filled all year.

The majority staff has been able to attract more Ph.Ds, attorneys and individuals with significant private sector and government experience over the past two years and needs to be able to retain these excellent public servants.

Third, our copiers and computers are nearing the end of their useful lives, and will have to be replaced during this Congress.

Mr. Chairman, we certainly understand the funding constraints under which we will all be operating this year. The Science Committee has worked hard to minimize its expenses, seeking out and negotiating good prices with contractors and suppliers and seeking to travel at the lowest costs available. But we do need a budget increase to continue our oversight and legislative responsibilities.

In short, Mr. Chairman, I believe we have put forward a reasonable, well documented request that will enable the Science Committee to continue to play an active role in a wide range of issues. I look forward to answering any questions. Thank you.

The CHAIRMAN. Thank you, Mr. Chairman, and also the ranking member for being here.

I have one question. In the budget, you mention establishing an offsite emergency office. Do you have a dollar figure on that yet? If you do not today, you can get back to us.

Mr. BOEHLERT. I do not think we have an exact dollar figure, and we will get back to you with some details. But that was the recommendation from on high that we begin to consider the necessity for some time in the future of operating offsite.

But we are doing some things like getting more lap-top computers that are very portable for our professional staff so they can get the input they need to advise us so that we can make the decisions we are required.

The CHAIRMAN. Thank you.

The gentlewoman.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman.

And again, it is good to see you, Mr. Chairman. I have welcomed the ranking member in, and he has expressed the cooperation that you two share on the committee, and that is good. I told him that I have known you for some time, and your dear wife, Marianne. It is good to know you two work well together.

I certainly understand, being the Science Committee, that you need specialized staff and persons who are really vast in experience because of the nature of what you do. I have been told that you have increased or are requesting an increase of $30,000 for the first session of this 109th Congress for franking and then $35,000 for the second session of the 109th Congress, when, last year, you used only $3,000 in franking.

Can you explain to me why you want such an increase?

Mr. BOEHLERT. Yes. There are some things we have to do. We have to do a better job of outreach to advise various groups around the country of what we are doing and the importance of what we are doing.

For example, the various programs under the Assistance to Firefighters. We have helped in the educational component of that obligation so that fire companies around the country can discover how valuable this program could be for their fire company, getting the necessary equipment they need under a peer-review, merit-based decisionmaking process completely divorced from the political process. But knowledge is power, and unless we empower these people with the knowledge about the existence of these program, how are they going to know?

We have virtually had almost no franking program in the past, and so we are expanding that somewhat.

Ms. MILLENDER-MCDONALD. That is very true. And noting from the previous years, you have not had a large franking budget. The thing we want to make sure that we are clear on, that franking, that when you are anticipating going across the country with your various hearings, that you recognize that you do have to come under the certain franking rules in governing that type of mail and that it cannot be outside of the realm of working with your committee work and not anything else that could be even in the remote be seemingly campaign related.

Mr. BOEHLERT. We would never ever entertain that.

Ms. MILLENDER-MCDONALD. I just thought I had to say that for the record.

Mr. GORDON. If I may add. I have been reading about the controversy in another committee on this, and I think they are out of order. I have not seen that on this committee. If it did come up, I would let you know next year. But I think it was a bad precedent that was set elsewhere.

Also, my chairman, I gave you a preliminary amen earlier. Now after hearing you, I want to concur that I amen.

Let me point one more thing out. I have only been the ranking member for a year and a half, and our chairman is now starting his fifth year. But he inherited a committee from, and I will just say that Bob Walker and Jim Sensenbrenner, let me tell you, those boys took the fat out. So you can be well assured that there is not—when they get through with a committee, there is not much left to be done.

So I really think that all of his requests are very reasonable, built on a base of a frugal start.

Ms. MILLENDER-MCDONALD. Thank you so much, Mr. Gordon.

That is it for me, Mr. Chairman.

The CHAIRMAN. We will note that we did get the two previous chairs, we got them from ink pens to typewriters by the time their chairmanships ended.

We will turn to our resident science advisor, Mr. Ehlers from Michigan.

Mr. EHLERS. Thank you, Mr. Chairman.

Again, I would like to vouch for this committee in terms of its frugality, occasionally excessive frugality. But, certainly, the committee operates very well. It is a committee that is basically nonpartisan and certainly deserving of the support they have requested. I do commend the ranking member for going so far as to break his arm to get our sympathy during this crucial period of deciding their budget.

On a more serious note, the chairman mentioned, or others have mentioned, that we have a very tight budget on the Science Committee. And, frankly, I think the committee should probably do more travel. We have a lot of national labs under the jurisdiction of the committee. We have many other scientific facilities that are, although not directly under the jurisdiction of the committee, are funded in large part by government grants, such as Woods Hole Oceanographic Institute, and so on. Plus you have the National Institute of Standards and Technologies labs, the NOAA labs, all the weather reporting and so forth.

The chairman indicated the need for oversight. I concur heartily with that, and I think a good deal of that has to be on-site oversight. So I would encourage the committee to be generous with this request so that they can fulfill that.

The CHAIRMAN. Mr. Brady, any questions?

Mr. BRADY. No.

The CHAIRMAN. The gentlewoman from Michigan, Mrs. Miller.

Mrs. MILLER of Michigan. Thank you, Mr. Chairman. Perhaps, again, not a question but an observation. And I have to say I am particularly pleased that you have some money in your budget for travel for NASA. In particular, as the daughter of an aeronautical

engineer, actually, that worked with Wernher Von Braun at Redstone, I think the space program is critically important. It is important not only to members of the Committee, but also to those who serve as ambassadors to do outreach to the entire population here of our Nation of how important a space program is in every way.

There are so many positive spinoffs from that, whether it is technology or the fabrics of the clothes that we wear; there are so many things that have evolved out of our space program, and it is a very important thing.

I know the President has advocated the Mars mission, and I am very interested to see how all that goes. But I am certain that when Columbus was addressing the king of Spain about taking a trip with three little boats across the big pond there, that they also looked at their committee structure and their budget and whether or not they could afford such a venture. But exploration is always so very, very necessary. So I certainly support your budget and look forward to your committee work this year as well.

Mr. BOEHLERT. Thank you.

The CHAIRMAN. We are thankful they did not do a cutback at that time in Italy.

The gentlewoman from California.

Ms. LOFGREN. Thank you, Mr. Chairman.

First, let me apologize for being late. I was actually having a meeting on the space budget.

First, I missed all of the testimony, but I did have a chance to review it. I was on the committee for 10 years, and I loved the Science Committee. I am sorry I had to leave it in order to join this committee. Traditionally, I think it has worked pretty well. Chairman Boehlert is exceedingly fair, and I think all the members of the committee recognize that.

However, the default is the minority gets one-third of the budget, one-third of the slots and control over their one-third, except as the chairman and ranking member may negotiate otherwise.

So am I to understand that you are both satisfied with the budget that is being proposed here today?

Mr. BOEHLERT. What I did offer was one amendment. Since our budget was prepared, Mr. Gordon approached me and asked if the minority might get an additional person, and I have okayed that, without any additional money. And he made that clear from the outset.

The traditional way to go about it was, we will give you one more if we get one more. We do not need one more. We can always use one more, but I mean, the word parsimonious. So I support his request for a staff person without any additional dollars attached to that additional staff, a person to give him a little more flexibility.

But I think we, and I will let Mr. Gordon speak for himself, but I think we have a very good relationship. We work well. And so many of the activities, as you know as a result of your experience on the committee, on many of the issues, you cannot tell the majority from the minority. They are working together in a common cause.

Ms. LOFGREN. Certainly, under your chairmanship, that is true. It was not always true with Mr. Walker.

Mr. BOEHLERT. I can only speak for my chairmanship, but I think the staffs enjoy a good professional working partnership rather than just a relationship.

Mr. GORDON. I concur. I elaborated even more than that earlier on the good relationship.

Going to your one-third/one-third situation, we have the one-third/one-third but without the control. We have control on the salaries but not on the other. It works out well, and we have a very good relationship. I think sometimes, and it is certainly not due to the staff, sometimes it does slow the process down. I think a better procedure, like many of the committees do, would be to also have that control.

As long as he does not get hit by a train, then we are fine. But I think that is a legitimate question for this committee to raise and whether there should be a policy across the board. But we are satisfied here.

If I could make one additional comment concerning the additional person. As the chairman said, we are not asking for any additional salary. We have, I guess, something maybe of a unique situation in that we allow our ranking members to have a part-time person. And according to the rules here, a part-time person fills up a slot just like a full-time person. So we have gotten our own selves disadvantaged, but we felt it was necessary if a ranking member was going to spend the time and effort to be that ranking member and to deal with the responsibilities, they should have some reward. And part of that reward is being able to offset the cost of an employee that can do a little more work there. So we wound up with these four, or actually five, part-time folks. That really cuts into us, because they count just like a full-time person. That and the additional responsibilities is the basis of this problem.

Ms. LOFGREN. I see. A parochial question. I talked to the chairman, as well as you, Mr. Gordon, about a long-wished-for trip to NASA Ames. Do you have enough money in your travel budget to visit NASA Ames?

Mr. BOEHLERT. We do envision that, particularly under Chairman Calvert's subcommittee chairmanship. He is new on the job, and he has indicated a desire and a willingness. We all have the desire to travel more and get out to these sites, but sometimes it just is not compatible with our schedule.

So we have the money built in, and we know we are going to return to flight, hopefully in mid-May, and I would envision a committee trip for that. But more importantly, the subcommittee and Mr. Gordon and I have discussed that, that we will be traveling more.

Ms. LOFGREN. They built the fastest supercomputer in the world in 6 months for $4 million. It took the Japanese years and hundreds of millions. I would love to have you see it.

Mr. GORDON. Ames also, as you well know, is under the ax for the most significant reductions under this new realignment, and I think that, one, should be reviewed; and secondly, with the good work you do out there, there needs to be thought, if that happens, to what additional responsibilities can Ames pick up.

Ms. LOFGREN. Thank you very much.

The CHAIRMAN. Does the gentlewoman from California have another question?

Ms. MILLENDER-MCDONALD. Yes, thank you. I just wanted to ask the chairman. You spoke about outreach, going to fire services, fire stations for more, I guess, hearings? Or did you say something about fire stations?

Mr. BOEHLERT. No, no, no, the answer was in response to the use of the frank and where we are having more mailings of that nature.

Ms. MILLENDER-MCDONALD. No, no, but in your statement, as you read, I thought you mentioned that the Science Committee would be going to more areas throughout the country and that you will be engaging in some perhaps nontraditional groups that you have not engaged with in terms of hearings. I thought I heard that.

Mr. BOEHLERT. We are always looking to explore that. For example, we did have a hearing on the very programs we are discussing, in the fire services' program. And the administrator, David Paulson, was invited to testify, and we had bipartisan members of the committee. And that was one of the best attended hearings I have ever had outside of Washington, simply because there is a great deal of interest in it.

Not everybody can go out to the airport to fly to Washington to participate, so that is the type of thing we are trying to do more of. But I can envision the necessity for traveling to some of the NASA centers, because NASA has announced their restructuring of their workforce, and there are thousands of people whose lives and futures are going to be on the line.

So we want to make sure our committee is in the position to provide the best possible advice to our colleagues on the committee and the Congress as to how we should proceed with that. So unless we get to Ames and Glen and some of these other places, we will not be in that position.

Ms. MILLENDER-MCDONALD. I must say, that is very critical.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank both the chairman and the ranking member for coming here today. Thank you very much.

Mr. BOEHLERT. Thank you.

Mr. GORDON. Thank you.

The CHAIRMAN. Veterans is next. What I will do is, since Veterans is not here, if the gentlewoman would want to, we can quickly present House Administration, and we can present that until the Veterans' Committee comes.

STATEMENT OF HON. ROBERT W. NEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

The CHAIRMAN. The ranking member and I have jointly introduced the budget request for House Administration Committee as H. Res. 159, and as chairman, I am happy to work with our ranking member, Ms. Millender-McDonald and her staff to introduce a budget that we can both support. I think it is an honest budget and one that is necessary for us to continue the necessary and important work of running, maintaining and securing the U.S. House of Representatives for Members, their staff and employees of the House.

House Administration's request totals $10,101,152 for the 109th Congress. This represents an 18.46 percent increase over the $8,527,057 figure authorized for the 108th Congress. This breaks down to $4,822,199 and $5,278,953 for 2005 and 2006 respectively.

The committee also requests an increase in our staff ceiling from 48 to 54. Should these additional slots be approved, of course they would be allocated on a two-thirds/one-third basis. We need the additional slots to bolster the ranks of our current staff, who are increasingly dealing with election administration and campaign finance issues, areas within our committee's jurisdiction, which have seen an explosion of activities. With the announcement of the committee's hearing schedule, including field hearings, additional staff are needed to maintain our oversight functions.

Additionally, our committee is looking to improve its oversight of House security and technology issues. Additional, staff and funds will assist us in strongly addressing these responsibilities.

As with all committee budgets, our requested increase is needed primarily to support personnel costs, including costs associated with comparability pay increases for staff. Many committees have already testified to this effect. As the gap grows between private-sector salaries and government salaries, it becomes difficult for committees to maintain and acquire qualified staff. If you do not have qualified staff, you cannot communicate with constituencies across the country.

Without objection, I will submit the rest for the record because our two Members have shown for their testimony. But again, we continue the two-thirds/one-third allocation of our resources, as was established by Bill Thomas when he was chairman of the committee, and I am pleased to continue that tradition.

Again, I want to thank the gentlewoman from California, our ranking member, and the other Members and the staff for helping us to crunch the numbers and produce this budget.

[The statement of Mr. Ney follows:]

Statement of Chairman Ney

The next committee to present its budget request is our very own, the House Administration Committee. Both Ms. Millender-McDonald and I will present our testimony from our seats on the dais.

The Ranking Member and I jointly introduced the budget request for the House Administration Committee, as H Res. 159. As Chairman, I am happy to have worked with Ms. Millender-McDonald and her staff to introduce a budget we both support. It is an honest budget, and one that is necessary for us to continue the necessary and important work of running, maintaining and securing the U.S. House of Representatives for Members, their staff, and the employees of the House.

The House Administration request totals $10,101,152 for the 109th Congress. This represents an 18.46% increase over the $8,527,057 figure authorized for the 108th Congress. This breaks down to $4,822,199 and $5,278,953 for 2005 and 2006, respectively.

The committee also requests an increase in our staff ceiling from 48 to 54. Should these additional slots be approved, they will be allocated on a 2/3 (two-thirds), 1/3 (one-third) basis with the minority. The minority would receive 2 of the 6 additional slots.

We need these additional slots to bolster the ranks of our current staff who are increasingly dealing with election administration and campaign finance issues, areas within our committee's jurisdiction which have seen an explosion of

activity. With the announcement of the committee's aggressive hearing schedule, including field hearings, additional staff are needed to maintain our oversight functions.

Additionally, our committee is looking to improve its oversight of House security and of technology issues. Additional staff and funds will assist us in strongly addressing these responsibilities.

As with all committee budgets, our requested increase is needed primarily to support personnel costs, including costs associated with comparability pay increases for staff. Many committees have already testified to this effect. As the gap grows between private sector salaries and government salaries, it becomes difficult for committees to maintain and acquire qualified staff to support the business of Congress. This increase

will help us to maintain a high quality staff and also will support the personnel expenses of the additional staff we have requested.

The House Administration budget request will of course continue to maintain the funding ratio we have established with our minority, allocating 1/3 (one-third) of our total budget and 1/3 (one-third) of our staff slots to the Ranking Member. The goal of allocating resources on a 2/3 (two-thirds) 1/3 (one-third) basis was established by Chairman Bill Thomas when he was Chairman of this committee. I am pleased to continue the tradition he established and am encouraged that other Committee Chairmen have been working with their Ranking Members to reach that goal as well.

These are the main points of our budget request. I will now allow Ms. Millender-McDonald to

present her thoughts on our budget. However, before I do, I would like to personally thank her and her staff for meeting with me and my staff and for working to present a budget we could both support. I recognize Ms. Millender-McDonald.

STATEMENT OF HON. JUANITA MILLENDER-McDONALD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Ms. MILLENDER-MCDONALD. Absolutely.

Do you want me to make my statement or just go with them?

Okay, make my statement.

Thank you very much, Mr. Chairman, and I want to recognize Chairman Ney and Speaker Hastert for their continued leadership and consistent commitment to the two-thirds/one-third funding principle for the minority. Chairman Ney has been a beacon for all the committee chairs, and he has amply demonstrated that allowing minority control over its fair share of committee funding, promoting comity and communication between the majority and the minority does not diminish any Chairman's control over the committee he leads, which is really laudable.

Chairman Ney's open-door policy with this ranking member and with my predecessors has promoted a broad cooperative working relationship and has eliminated the suspicion which arises when open communications are lacking.

So we thank you, Mr. Chairman.

With respect to the committee's funding request, let me say, right up, that I am rather fiscally conservative. It is the people's money, and we ought to spend only what we need to get the job done. When Leader Pelosi assigned me to the task of ranking member, I gave her assurances that I would do a top-to-bottom review of all House support services, and I promised that the House would do everything reasonable and necessary to ensure the security of Members, staff and visiting constituents. This will require additional committee staff resources, and I support the Chairman's request to Speaker Hastert to raise the staff ceiling for the committee.

In addition to the security concerns, I think the committee will need to engage short-term expertise to review our internal practices and procedures and to ensure that tax dollars are being efficiently spent on internal operations throughout the House. Once these reviews are completed, I would anticipate the need for this committee to make the changes necessary to streamline House operations and to eliminate waste.

Mr. Chairman, the most recent Federal election clearly demonstrated the need for aggressive oversight of the Federal Election Administration throughout the country by this committee. We must go to the people, gather the information and make adjustments to HAVA wherever we find it necessary. We will conduct the first of what I hope to be many field hearings in Columbus, Ohio, next week. In order to conduct this type of oversight, we will need additional funding for travel, and I hope we can obtain that.

Mr. Chairman, I consider the increase, which we have jointly requested, to be reasonable in light of the security administrative and oversight challenges ahead. I would characterize the increase as an investment in House efficiency as well as the maintenance of our democratic process. I would expect it to result in savings to the American taxpayer and a fair and more robust democracy in the long run.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentlewoman.

And now we will move on to chairman of the Veterans Committee, Mr. Buyer from Indiana.

STATEMENT OF HON. STEVE BUYER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. BUYER. Thank you, Mr. Chairman.

We appreciate the opportunity to appear before this committee to present a budget submission for the 109th Congress on behalf of the Veterans' Affairs full committee. My friend, ranking member and Marine, Lane Evans, joins me here today in support of the committee's request.

As you know, we have oversight over the Department of Veterans Affairs. The VA is the second largest Federal agency, employing over 200,000 people, with budget authority exceeding $69 billion. The VA Committee's total budget request for the 109th Congress of $7.9 million will provide us with the funds needed to hire and retain the finest staff. It is also my understanding this request may represent the largest requested increase this year, but I also believe it is fair, and in fact, it is justified.

Used efficiently and with careful planning, this budget will allow us to provide the highest quality oversight to ensure that veterans who accessed the VA yesterday and those coming back today have the highest quality of care.

As I stated in my written testimony and upon assuming the chairmanship this January, I asked my staff director to provide a complete accounting of all funds, equipment and personnel. I asked him to discuss the needs also with the minority, with Lane Evans' staff director, as well. Administratively, we split our salary allotment two-thirds/one-third.

It is my assessment that the committee badly needs to hire additional staff to meet the needs of our committee. The committee has added a fourth subcommittee to better meet the needs of our veterans population. Therefore, additional staff space, especially for the Democrats, is needed as they currently share a two-room suite, and they should be able to access additional space, preferably within the Canon Office Building. It would be welcomed.

During this time of war, the committee must provide proper oversight to ensure the men and women transitioning into the VA health care system are able to do so quickly and effectively. We need to make sure those already in the system are provided for as well. The committee has identified several areas of concern, and the retention of an expert consultant could facilitate our efforts in several ways: Number one, to deliver the seamless transition between DOD and VA health care system; number two, to ensure that benefits, especially those which seek to help transition our veterans into the work force, are adequate; three, the VA has approximately $3 billion in uncollected debt. Increasing collections is a priority of the committee. An outside consultant will facilitate making significant inroads on this front. And, finally, we will continue to address the needs of the electronic medical records and information technology at the VA. We hope you will look favorably at this increase that we have included in this request to fund such expertise.

With regard to travel, the funds we request will enable us to travel to many of the VA hospitals, outpatient clinics, nursing homes and national cemeteries within the VA system that are not only within the continental United States but also worldwide.

In recent years, the VA Committee has expended an insignificant amount on staff and Member travel to perform oversight. It is more important than ever for us to be out and learning firsthand the needs and successes of the largest health care delivery system in the government and to ensure that the veterans are receiving the assistance they need.

With regard to equipment, equal to the need for additional staff is the need for equipment. Due to past funding, this committee was not able to make equipment purchases in the 108th Congress and has not been able to maintain the one-third hardware inventory schedule replacement plan.

The staff is currently using 15 Pentium III computers and seven Pentium II laptops that cannot run the most current House approved software system. They are well below the House minimum support standards. Our servers are in dire need of replacement and are between 3 and 7 years old. In the 108th Congress, some staff had Blackberrys that had to be returned for budgetary reasons.

So we have some major purchases that must happen over the next 2 years, and some of them are immediate. They include a new copier for the minority, replacement of several computers and computer upgrades and computer software. Most all are needed to meet House minimum technical standards.

Our Web site, which has won awards, also needs to be updated. We currently provide access around the world via audio feed through the Web site. We would like to offer video broadcasting, too, if the funds were available. We also need additional funds to ensure that we have an emergency contingency plan for equipment backup and offsite capability should we be unable to access our office.

In closing, we face complex and unique challenges to ensure that the VA continues and excels in completing its mission. Again, I understand this request may be one of the largest of the committees, but I can assure you we will use it efficiently and wisely.

In the recent past, field hearings have been canceled, equipment has been taken back and staff has not been hired due to lack of funding. Mr. Chairman and ranking member, we will work effectively to offer the finest legislative initiatives to maintain and improve the lives of our veterans and their dependents. We believe the increase we are asking for is justified and needed.

And, Mr. Chairman, I will be happy to answer any questions you may have.

[The statement of Mr. Buyer follows:]

Statement
Honorable Steve Buyer
before the
Committee on House Administration
March 16, 2005

Thank you, Chairman Ney, for this opportunity to appear before your committee to present our budget submission for the 109th Congress. My friend, Ranking Member Lane Evans, joins me here today in support of the VA Committee's request.

As you know, we have oversight of the Department of Veterans Affairs. VA is the second largest federal agency, employing over 200,000 with budget authority of $69 billion.

The VA Committee's total budget request for the 109th Congress of $7,933,081 will provide us with the funds needed to hire and retain the finest staff. Used efficiently and with careful planning, this budget will allow us to respond to the needs of our national treasures, veterans of both of past wars and today's war on terrorism.

Mr. Chairman, I understand that our total budget request increase for the 109th Congress may be greater than most committees. However, upon assuming the chairmanship, I asked staff to provide a complete accounting of all staff, funds and equipment. I asked do we have what we need to do our job? It is my assessment, and my testimony will bear it out, that the committee has not received adequate funding in years past. However, a dedicated and bright staff has been able to complete our mission but that help is needed.

We work as a bipartisan committee, with the staff divided in name only. We work hard every day in the pursuit of providing the best possible service to our nation's veterans and their families.

Administratively, we split our salary allotment by at least two-thirds to one-third, with the Democrats controlling their own payroll budget. In past

years, when able, this committee has provided the Democratic staff extra funds for their salaries, beyond the one-third split.

In our assessment, we found the need to hire additional staff for the committee which would bring the staff ceiling to 36. In addition, staff space, especially for the minority is needed. We need to secure additional space for the Democratic staff, who currently shares a two room suite—preferably in the Cannon Office Building.

Especially at a time of war, this committee must provide proper oversight to ensure that the men and women transitioning into the VA health care system are able to do so quickly and effectively. We need to make sure those already in the system are provided for as well.

The committee has identified several areas of concern and the retention of an expert consultant could facilitate our efforts for seamless transition between DOD and the VA health care deliver system and to ensure that benefits, especially those which seek to help the transition of our veterans into the workforce, are adequate. We have many in the Guard and Reserve coming home who may be older than those in past wars. Our benefits should ensure that the VA takes care of the 23 year old single private as well as the 47 year old colonel married father of three.

The VA has some $3 billion in outstanding collections. Increasing collections is a priority of the committee and outside consultation may be needed to help make significant inroads on this front. Finally, we will continue to address the need of electronic medial records and information technology at the VA. We hope you will look favorably on the modest amount we have included in this request to fund such consultants.

The funds we request will enable us to travel to the many VA hospitals, outpatient clinics, nursing homes, national cemeteries and regional benefits processing offices within the VA system. In recent years, the VA Committee has expended an insignificant amount on staff and Member travel to perform oversight. As you can see we have an aggressive agenda in mind. It is more important than ever for us to be out and learning first

hand the needs and successes of the largest health care delivery system in the government and to ensure that veterans entering that system today and yesterday are receiving the assistance they need.

Earlier, I mentioned the assessment at the committee in which I asked staff to complete. Equal to the need for additional staff is the need for equipment. In the past two funding cycles, the Committee has not been able to maintain the 1/3 hardware inventory schedule replacement plan. Staff is currently using 15 Pentium III computers and 7 Pentium II laptops that cannot run the most current House approved software. They are well below House minimum support standards. Our servers are in dire need to be replaced too. Currently, they are between three and seven years old.

I am told that in the 108th Congress some staff who had Blackberry's and cell phones had to turn them in due to budget reasons.

Mr. Chairman, this Committee has some major purchases that must happen over the next two years—some immediately. They include a new copier for the minority, replacement of several computers and computer upgrades. Computer software is due to be upgraded this year as well to meet the minimum House technical standards.

Much of what this Committee passes is bipartisan in nature. Taking care of national treasures—the men and women who risk life and limb in the name of freedom is not a partisan matter. The staff for both Mr. Evans and me works very well together. We share resources when needed and plan our oversight agenda accordingly. Our website needs to be updated but we are proud that it has won awards and provide the public around the world the ability to listen in to the audio feed from our hearings. We also hope to have video broadcasting capability in this Congress, if funding is provided.

We face complex and unique challenges to ensure that the Department of Veterans' Affairs excels in completing its mission. Those who work at this Committee are proud of their work. They work hard every day to help improve the VA system.

This is considered a minor committee. But our work is no less important than any "A" committee. I know Mr. Evans and I may be asking for the largest increase of any committee but we agree that we have not had adequate funding in the past. Field hearings have been cancelled, equipment recalled, and staff not hired due to lack of funding.

Mr. Chairman, we will work effectively to offer the finest legislative initiatives to maintain and improve the lives of veterans and their families with whatever funds we receive. We believe the increase we are asking for is justified and overdue.

I am happy to answer any questions you might have today.

The CHAIRMAN. Well, I thank the chairman for his testimony.

And we will now go on to our ranking member, Mr. Lane Evans of Illinois.

STATEMENT OF HON. LANE EVANS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. EVANS. Thank you, Mr. Chairman, I appreciate your giving us the time this afternoon to talk to you about these important issues. I think the chairman, though, has outlined them, not only recognizing the challenges but the recommendations that can really mean something to our ability as a committee to perform as well as we can.

The important issue of space is one that has been most troubling. We have had such an overlapping situation that it would probably hurt us to continue at this present level. We do not have the ability to go out and do oversight or to go out and visit these facilities across the country.

I think that we can work together on this committee. We have that hallmark, but we do have to have a decent number of staff. It has curtailed at least some of us from getting around as much as we used to. And it is too bad, because this is one institution where it is very necessary to keep in touch with the people who are affected by it.

So that is why we come here today, to ask for your support in these specific areas and to praise the chairman for the work he has done.

So thank you, Mr. Chairman, and I yield back.

[The statement of Mr. Evans follows:]

Statement of Honorable Lane Evans, Ranking Democratic Member
Committee on Veterans Affairs
Before the Committee on House Administration
March 16, 2005

Mr. Chairman and Ranking Member Millender-McDonald, I welcome the opportunity to join with Chairman Steve Buyer and testify before you today on behalf of our funding request for the Committee on Veterans' Affairs. The Veterans' Affairs Committee funding request for the 109th Congress is a bipartisan Committee request and I urge your favorable consideration and approval.

Under the request proposed by Chairman Buyer, there will be 37 total Committee staff. Of these total staff, 25 will be majority staff and 12 will be Democratic staff. Of the Committee staff funding request, 33 percent is expected to be allocated for Democratic staff in the 109th Congress.

Office space is an entirely different matter, however. The office space now allocated to the Democratic staff is totally inadequate. It totals 935 square feet – that is the total space available before a copy machine, fax machines, desks, chairs, file cabinets, bookcases, and other essential office equipment is in place. I cannot accommodate fellows, interns or others who could contribute to the work of the Committee. There is no space for them nor will there be space for the 12th member of the Democratic staff provided by the funding requested for this Congress.

Of the total office space occupied by the Committee, less than 1/5 is occupied by Democratic staff. I have not asked Chairman Buyer to relinquish any office space occupied by the majority staff and I won't. However, I do know there is too little space for the Democratic staff. The working environment in the Democratic office is unsafe and is not accessible for the many veterans in wheelchairs who need to access the office for Committee business.

Chairman Buyer and I have discussed this. He is sympathetic and indicated his willingness to work with me to find a reasonable solution. I ask for your assistance as well.

Mr. Chairman and Ranking Member Millender-McDonald, I look forward to the approval of our funding request.

The CHAIRMAN. Well, I thank both the chair and the ranking member. It is a great job you both do here in the Congress for, obviously, a real important issue, our veterans. We would not be here debating and able to debate if it was not for the veterans. I do not have to tell you that. I know you both are good patriots and have watched out for the veterans' needs, and we give you a lot of credit for that.

On the space issue, we have been hearing this over and over, the Architect of the Capitol, I think in March of this year, will have sort of a master plan they will unveil. Somewhere along the line, we have to get more space. It is endemic throughout our system. These buildings were not designed for the amount of people that we have.

With that, I will just see if there are any questions, because of the votes.

Ms. MILLENDER-MCDONALD. Mr. Chairman, thank you so much, and thanks to the chairman and the ranking member of Veterans Affairs. It is very clear that you need to update some equipment, that you are far behind in that as well as maybe some of the other necessary components of doing a more efficient job in this committee.

Mr. Chairman, I do have some glaring requests by your committee with reference to the frank mail allocation. You are requesting one of the largest frank mail allocations in this committee, with a $50,000 projection of this. And I would like to call your attention to the 108th Congress where you spent only $2,037.39 for the first session and only $1,697.77 during the second session.

This was compared to the request that you had and was granted for frank mail of $10,000. This represents an increase of over 2,600 percent. Can you explain to the committee why you are asking for such a considerable increase in the frank mail?

Mr. BUYER. Two comments. First, with regard to the Chairman's comment regarding spacing, there is, right across from the ranking member's office, the Joint Economic Committee, where there is space. This staff has to grow in order to meet these present needs. There is room, I want you to take note. They can move up to three of their staff there. And if you were to go and see the room in which they have to operate in, you would never want anybody to be treated like that. So I just wanted to share with you that there is some space and to please make note of that. I would endorse their gaining access to that Joint Economic Committee room that is not being used.

With regard to your question on frank mail, I was not the chairman, ma'am, in the last Congress. I am the new chairman here in January, and we are trying to assess how we can effectively communicate with veterans in the country beyond the veterans' service organizations.

That is what people seem to sort of rely on. But we do not communicate effectively with all of the county veterans service officers in the entire country and territories, and I want to reach out and I want to touch them. And I think that is extremely important to do that, and that is the purpose of the request, through the franking budget.

Ms. MILLENDER-MCDONALD. Now, while that is absolutely important for you to do that, because our veterans really do need to hear from us here, we want you to recognize that there are limitations on how and what you can do with your outreach beyond the scope of your own district with reference to franked mail.

And we must ask that you abide by the 90-day cutoff before an election in sending franked mail out, and that you do get a clearance of the franked mail from Franking before it is done. That is something that we now find a committee has been in violation of. We are now watching very closely the requests for franked mail from each committee.

We are looking at any committee that goes beyond the $25,000, which should be kind of the standard for that, but with your saying 50,000 per session, it really did raise the bar quite a bit—and eyebrows. But I just want you to know that we want to stay within the privileges of those Members, chairmen and ranking members, but we want also to preserve the integrity of this House and the taxpayers' dollars.

Mr. BUYER. Thank you.

The CHAIRMAN. If I could interrupt to clear up just for the record, but the 90-day cutoff does not apply, under the House rule, to committees. But Members' offices do have a 90-day cutoff.

I am sorry. Go ahead.

Mr. BUYER. Ma'am, I think if you were to look at my own history, in my seventh term here in Congress, I am probably in the lower 20 percent of Members who access and utilize franked mail. So I share with you your concern.

What I am hoping to do here is how we effectively communicate with the county veterans service officers. These are the individuals who really are very, very active, hands-on with our veterans in our communities. They are the ones who the vets first go to, and that is who we want to reach out and touch. That was the purpose of the request.

Ms. MILLENDER-MCDONALD. I really do appreciate the gentleman explaining that and expressing your thoughts about that. And while the Chairman has appropriately outlined what is and what is not with reference to Chairs' positions as opposed to Members' positions, we are all spending taxpayer dollars to do this, and I think we should very much recognize that and appropriately respond to the limitations vis-a-vis whether it is Member or committee Chair with reference to the taxpayers' dollars in mailing this mail out beyond the scope of your district.

And with the committee, of course you want to do outreach beyond that across the country. But that mail should go in concert with that outreach hearing that you are anticipating doing.

Mr. BUYER. Ma'am, I am cognizant of everything that you have just said. And Mr. Evans and I work cooperatively together. The Veterans Affairs Committee is supposed to be the most bipartisan committee in Congress, and Lane and I are—not only are we comrades in arms, we are also friends, and we seek to work cooperatively, even in how we communicate with our county veterans service officers. And in uniform, no one ever asked Lane and I whether we are Republicans or Democrats. So as we serve our veteran populations, it should be done in the same spirit.

Ms. MILLENDER-MCDONALD. I thank you so much because, as veterans, no one should ever ask whether you are Republicans or Democrats. And Mr. Evans has stated to me that he appreciates the support that you give him and the continuous camaraderie between the two of you. So we thank you so much.

I suppose the $90,000 per session for printing that you have also requested is in concert with your outreach to the—across the country; is that correct?

Mr. BUYER. Yes, ma'am.

Ms. MILLENDER-MCDONALD. Thank you so much, Mr. Chairman.

The CHAIRMAN. I also would note we have a Franking Commission at House Administration, and they will sit down and tell you the current rules, work with your staff. If rules change in this process this year, they will review those, too, with you. And so the Franking Commission will be essential to sit down and be able to tell you the current House rules.

Does the gentlelady have a question? And the second bell has rung. I just want to say thank you for your time. I also want to note, you are at a turning point, I think, in the committee—turning point in equipment, turning point in staff, horrifically lean, and some decisions have to be made so you can continue to do your job. And I know that.

Mr. BUYER. My only plea is, please place us in a plan with a time line that is realistic, whereby we can modernize and have a realistic replacement plan with regard to our equipment. Thank you.

The CHAIRMAN. Thank you.

Ms. MILLENDER-MCDONALD. And come to my district first with your outreach.

The CHAIRMAN. The committee will be in recess until 3:00 or around—the last vote, I think it is around 3:00. Thank you.

[Recess.]

The CHAIRMAN. The meeting will come to order. We will start with Homeland Security, with our chairman, the gentleman from California, Mr. Cox, who will begin.

STATEMENT OF HON. CHRISTOPHER COX, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. COX. Thank you, Chairman Ney, Ranking Member Ms. Millender-McDonald. Thank you for this opportunity to testify on behalf of the Committee on Homeland Security.

We are a new standing committee of the House, and it has been almost 60 years since the House has had to consider what it takes to start from scratch a new standing committee. The last time we did this was during the postwar consolidation of the Nation's military establishment, 1947. That culminated in the creation of the Department of Defense.

This year, Congress acted to respond to a no less momentous change in the organization of the executive branch by creating a permanent standing Committee on Homeland Security to address this vital national security issue and to oversee the new Department of Homeland Security.

My distinguished ranking member, Bennie Thompson, and I cosponsored H. Res. 104, which is before you, to cover expenses for the Homeland Security Committee in the 109th Congress. The

funding resolution seeks $7.4 million for 2005 and 8.3 for 2006. These amounts are necessary to pay salaries for a total of 80 staff, majority and minority combined, and operating expenses for the full committee and its five subcommittees.

To put our request into perspective, the amount we are seeking would put the committee at the bottom of the top one-third of all of the committees in the House. This reflects Representative Thompson's and my own understanding as to what it will take not only to get this new committee up and running, but to discharge its significant new responsibilities.

In that connection, it is important to note that the Select Committee on Homeland Security that I chaired in the last Congress wasn't funded under the general budget resolution, it was funded under its own separate resolution. This year's funding resolution, therefore, will, for the first time, be setting a baseline for this new committee. It has not been done before.

This new committee is very different from the select committee; it has significantly expanded responsibilities and jurisdiction. So I think it will be fair to compare future resolutions to whatever you do this year; it will not be fair to compare what we do this year to anything that has gone before. Certainly, we can't literally compare it with the funding resolution from the 108th Congress because even the select committee wasn't included in it.

In considering our request for funding for the 109th Congress, the committee carefully took into account what would be required to meet our legislative and oversight responsibilities as specifically defined in our Rule 10 jurisdictional statement. Our detailed budget submission explains that fully 89 percent of the committee's budget will be dedicated to expert staff and only 11 percent of the requested budget for operational expenses.

Let me also mention the remarkable breadth of the committee's jurisdiction, which is a far cry from what we had as a select committee in the last Congress. The Committee on Homeland Security has jurisdiction over all homeland security policy, government-wide, in every department of the executive branch as well as, quote, "on a continuing basis all government activities relating to homeland security including the interaction of all departments and agencies within the Department of Homeland Security." So setting the baseline for the Homeland Security Committee in its first year is precedent-setting, and it is a serious responsibility.

As a committee, we won't be able to meet our jurisdictional responsibilities without not only sufficient staff, but also the necessary expertise. And I think in the formal statement Ranking Member Thompson addressed that. He may address it orally later today.

Putting our work into its broader context, we would all acknowledge that the Department of Homeland Security has made significant progress since Congress passed the Homeland Security Act of 2002. But terrorist networks still pose a serious challenge to our national security interests, and perhaps in the long term they will pose an even greater threat than they did on September 11, 2001. The terrorist threat and, in particular, the combination of evolving technology that will fall into the hands of terrorist groups in the

future is with us for the foreseeable future. And to address it, the Department of Homeland Security is here to stay.

Ranking Member Thompson and I, along with the 32 other members of the Homeland Security Committee, are determined to help the Department of Homeland Security achieve its mission as mandated in the Homeland Security Act. We will consider legislation and conduct vigorous oversight through each of the committee's five subcommittees to ensure that the Department remains focused on its overarching priority of preventing terrorist attacks here in the United States. We will ensure that the Department allocates its terrorism grant assistance, like its overall budget, in a manner that reflects the most significant terrorism-related risks that we face.

Given the scope of the committee's responsibilities, it is critical that we vest in the Committee on Homeland Security the experts and the tools necessary to guide positive change in the Department and throughout the executive branch. I am confident that the budget request before you, including the committee staff, majority and minority combined, of 80 persons will be a prudent and forward-looking congressional investment.

Thank you again, Chairman Ney, Ranking Member Millender-McDonald, and other members of the committee for this opportunity to testify. I will be happy to answer any questions you might have.

[The statement of Mr. Cox follows:]

Statement before
The Committee on House Administration
Chairman Christopher Cox
Committee on Homeland Security
March 16, 2005

Chairman Ney, Ranking Member Millender-McDonald and Members of the Committee, thank you for this opportunity to testify on the budget submission for the Committee on Homeland Security. As you know, we are a new standing committee of the House; it has been almost 60 years since the committee structure of the House was realigned to reflect an Executive-branch reorganization--the post-war consolidation of the Nation's military establishment that culminated in the creation of the Department of Defense. This year, Congress has acted to respond to a no less momentous change in the organization of the Executive branch by creating a permanent, standing Committee on Homeland Security to address this vital national-security issue and to oversee the Department of Homeland Security.

My distinguished Ranking Member Bennie Thompson and I co-sponsored H. Res. 104 to cover expenses for the Homeland Security Committee in the 109th Congress. This funding resolution seeks $7,462,288 for 2005 and $8,324,639 for 2006. These amounts are necessary to pay salaries for a total of 80 staff, majority and minority combined, and operating expenses for the full Committee and its five subcommittees.

To put our request into perspective, the amount we are seeking would put the Committee in the bottom of the top third of House committee budgets. This reflects Representative Thompson's and my understanding as to what it will take to get this new committee up and running in the most expeditious and effective manner. In that connection, it is important to note that the Select Committee on Homeland Security that I chaired in the last Congress was not funded under the general budget resolution but was specially funded under a separate resolution.

This year's funding resolution, therefore, will be setting a new baseline for a new Committee on Homeland Security with significantly expanded responsibilities and jurisdiction, to which future resolutions can appropriately be compared. It cannot, however, fairly be compared with the funding resolution from the 108th Congress.

In considering our request for funding for the 109th Congress, the Committee carefully considered what would be required to meet the Committee's legislative and oversight responsibilities as specified in its Rule X jurisdictional statement. As our detailed budget submission explains, fully 89% of the Committee's budget is dedicated to expert staff, which will be indispensable if the Committee is to discharge its responsibilities effectively. Only 11% of the requested budget is for operational expenses. We are, in short, starting anew with the opportunity and the obligation to do it right.

Let me remind you of the remarkable breadth of the Committee's jurisdiction. The Committee on Homeland Security has jurisdiction of: "Overall homeland security policy," as well as "on a continuing basis all Government activities relating to homeland security, including the interaction of all departments and agencies with the Department of Homeland Security."

Setting the baseline for the Homeland Security Committee in its first year is precedent-setting and a serious responsibility. We simply cannot meet our jurisdictional responsibilities without sufficient staff with the necessary expertise.

Putting our work into its broader context, we would all acknowledge that the Department of Homeland Security has made significant progress since Congress passed the Homeland Security Act of 2002. That does not, of course, mean that terrorist networks pose a less serious challenge to our national security interests at home than they did on September 11, 2001. The threat is here for the foreseeable future, and, to address it, the Department of

Homeland Security is here to stay. As Chairman of the Homeland Security Committee, I am committed to ensuring that Congress will lead the effort to invest strategically – wisely, with foresight and without waste – in protecting the American people and territory from terrorist attack, while fostering the dynamic economy that is essential to our national security and way of life.

Ranking Member Thompson and I, along with the 32 other Members of the Homeland Security Committee, are determined to help the Department of Homeland Security achieve its mission, as mandated in the Homeland Security Act. We will consider legislation and conduct vigorous oversight through each of the Committee's five subcommittees to ensure that the Department remains focused on the overriding priority of preventing terrorist attacks. We will seek to ensure that the Department allocates its terrorism grant assistance, like its overall budget, in a manner that reflects the most significant terrorism-related risks we face.

Given the scope of our responsibilities, it is critical that we vest in the Committee on Homeland Security the experts and tools necessary to guide positive change in the Department and throughout the Executive branch. I am confident that the budget request before you, including a Committee staff of 80, will be a prudent and forward-looking congressional investment.

Thank you again, Chairman Ney, for this opportunity to testify. I will be happy to answer any questions you or other Members of the of the Committee may have.

The CHAIRMAN. Thank you, Mr. Chairman, for being here today, and the committee that you have served.

I want to ask one question about, we kind of noted in the submission, you plan to stop using consultants. I am not saying that is bad; we use consultants. But a lot of committees use consultants. Did you find it in particular due to the nature of homeland security that consultants aren't as valuable to you? I was just curious on that.

Mr. COX. I just inquired of staff, what were the concerns there. We intend to hire consultants, and that is included in the budget. But as you note, the authority to do so is not as extensive as it was for the Select Committee on Homeland Security. Two things obtained: First, because we are a permanent committee, we don't need to outsource so much since we are not in a big hurry. The select committee was time limited and had only one Congress in which to operate.

The second is that there are major conflicts of interest that arise with outside consultants and the growing homeland security consultancy area. These are precisely the kinds of questions that come before the Congress, and so making a general habit of staffing that way is not the course to be preferred.

The CHAIRMAN. Each committee, I was just curious because each committee does it separately. I think by nature homeland security and intel would be a whole different type of animal when it comes to consultants and things, just due to the nature of the sensitivity, too.

So, questions?

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman. And it is good to see you, my hometown chairman and friend and also the ranking member. And congratulations to him again. I have not had the pleasure to extend that.

Mr. Chairman, as you spoke, I was very—it is very interesting the task that you have, both of you, on homeland security. This has become now a permanent committee, and you are right, you are trying to establish this baseline. And with establishing the baseline of course we see the movements of dollars with reference to the franked mail, and I will get to that in just a moment.

But when we speak about the consultants—and I know that, as the Chairman has said, you have to be very careful because these folks have to be scrutinized quite well. But in carrying out the request of my leader, House Leader Pelosi, we want to make sure that, and encourage chairmen and ranking members to ensure that, there is diversity when we are looking at contractual agreements among folks or getting consultants. Because I think the American people want to see a representation of all the people in the People's House.

In your franking, you requested in the 108th Congress $25,000, but you spent a little more than—you spent only $909 in the first session and $783 in the second session. And yet in the 109th Congress you are again asking for the $25,000.

May I ask you why the increase or what your intentions are with reference to $25,000 for franking mail?

Mr. COX. My understanding is consistent with yours about the underutilization of that budget in the last 2 years. The committee

utilized our franking budget as a select committee for official committee business such as letters to and from the Department, answering letters addressed to the committee, witness request letters, and so on. We did not use the franking for mass mailings to any significant extent.

But the purpose of the budget would be to include the issuance of committee reports, and I wouldn't see any purpose beyond that.

Ms. MILLENDER-MCDONALD. So, in essence, while you are requesting the $25,000, under the franking expenditures, it would really be used for reports and other things endemic to getting the information out to this broad spectrum of folks you want to get that out to; and it has never been used for mass mailing in the first place?

Mr. COX. That is correct.

Ms. MILLENDER-MCDONALD. Okay. Fine.

Mr. Chairman, that is all.

The CHAIRMAN. Thank you. Mr. Thompson has arrived. So since the gentleman from Mississippi is here, we will go ahead and hear from the ranking member. Thank you.

STATEMENT OF HON. BENNIE G. THOMPSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSISSIPPI

Mr. THOMPSON. Thank you very much, Mr. Chairman, ranking member, other members of the committee.

As you have already heard from the chairman, there is pretty much agreement on this budget. Actually, there is complete agreement on the budget, so—but I would like to get some points into the record relative to the budget.

As the ranking member of the now permanent Committee on Homeland Security, I offer my full support of the budget resolution offered by my colleague, Chairman Cox, and myself. This resolution is bipartisan in nature and requests the resources needed to ensure that the new committee can operate effectively and to its fullest capacity.

Our committee faces the daunting challenge of overseeing the Nation's overall homeland security policy, including the various activities of the Department of Homeland Security. As an agency formed from 22 different agencies, the Department's efforts cover many distinct complex issues, including border and port security, customs, cybersecurity, and critical infrastructure protection, intelligence analysis of homeland security threats, domestic preparedness and first responders, research and development, transportation security and emerging threats such as agroterrorism, bioterrorism, and nuclear proliferation. In order to conduct effective oversight, our committee must be able to draw an experienced staff that can properly evaluate the Department's efforts in all of these areas.

Such a staff cannot be drawn from recent graduates, but must be made up of individuals who are experienced in their fields. To recruit, hire, and retain such experts requires competitive salaries and incentives. Simply stated, we need the best and the brightest to ensure that the Department of Homeland Security, which continues to lag in its efforts to protect our Nation, is doing all that

it should be doing. Chairman Cox and I agree on this, and are committed to hiring the best experts we can for our respective sides.

One other issue that I would like to raise has to do with the committee's request regarding travel. I have spoken to Mr. Cox about this. We both agree that if our committee is to be effective, it must go into the communities across America with the Department tasking we are protecting. We cannot do effective oversight of the Department if we cannot evaluate for ourselves what is being done in towns, cities, and States across America.

We both have agreed that to further this effort we need to conduct extensive field hearings. Our first will be next week in Vicksburg, Mississippi. I thank Chairman Cox for agreeing to come to my district to hear from those most affected and involved in the government's effort to protect our ports and waterways. Of course, to conduct such field hearings we would need the staff we requested. I hope you take this into consideration.

I thank all the committee members for their time, and I am happy to respond to any questions you might have.

[The statement of Mr. Thompson follows:]

TESTIMONY OF THE

HONORABLE BENNIE THOMPSON
RANKING MEMBER
COMMITTEE ON HOMELAND SECURITY

BEFORE THE COMMITTEE ON HOUSE
ADMINISTRATION
ON

H. RES. 104
PROVIDING AMOUNTS FOR THE EXPENSES OF
THE COMMITTEE ON HOMELAND SECURITY IN
THE ONE HUNDRED NINTH CONGRESS

MARCH 16, 2005

- I would like to start off by thanking Chairman Ney and Ranking Member Congresswoman Millender-McDonald for having us here today.

- As the Ranking Member of the now-permanent Committee on Homeland Security, I offer my full support of the budget resolution offered by my colleague Chairman Cox and myself.

- This resolution is bi-partisan in nature and requests the resources needed to ensure that the new Committee can operate effectively and to its full capacity.

- Our Committee faces the daunting challenge of overseeing the nation's overall homeland security policy, including the various activities of the Department of Homeland Security.
- As an agency formed from 22 different agencies, the Department's efforts cover many distinct complex issues including:

- o border and port security,
- o customs,
- o cybersecurity and critical infrastructure protection,
- o intelligence analysis of homeland security threats,
- o domestic preparedness and first responders,
- o research and development,
- o transportation security, and
- o emerging threats such as agroterrorism, bioterrorism, and nuclear proliferation.

- In order to conduct effective oversight, our Committee must be able to draw an experienced staff that can properly evaluate the Department's efforts in all of these areas.

- Such a staff cannot be drawn from recent graduates but must be made up of individuals who are experts in their fields. To recruit, hire and retain such experts requires competitive salaries and incentives.

- Simply stated, we need the best and the brightest to ensure that the Department of Homeland Security – which continues to lag in its efforts to protect our nation – is doing all that it should be doing. Chairman Cox and I agree on this and are committed to hiring the best experts we can for our respective sides.

- One other issue that I would like to raise has to do with the Committee's request regarding travel. I have spoken to Mr. Cox about this. We both agree that if our Committee is to be effective it must get into the communities across America that the Department is tasked with protecting. We cannot do effective oversight of the Department if we cannot evaluate for ourselves what it is doing in towns, cities, and states across America.

- We both have agreed that to further this effort we need to conduct extensive field hearings. Our first will be next week in Vicksburg, Mississippi. I thank Chairman Cox for agreeing to come to my district to

hear from those most affected and involved in the government's efforts to protect our ports and waterways.

- Of course, to conduct such field hearings we will need the staff we've requested. I hope you take this into consideration.

- I thank all of the Committee Members for their time and am happy to respond to any questions you might have.

The CHAIRMAN. I thank the gentleman for his testimony.

Questions?

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman.

Before we get to our other Member, Mr. Thompson, you have certainly eloquently stated that this is a daunting task that you have, working in perhaps the most challenging committee outside of some of the others whom we have talked about today and with today.

We wanted—and we do recognize that you need expertise. You do need folks not just coming out with an undergrad in June and trying to hit the ground running in this committee. Are you satisfied, though, with the staff that you get and request from the chairman, and have you been able to work cooperatively with him on that?

Mr. THOMPSON. Absolutely. And as I said, this budget we agree with. If we receive the resources necessary, we can find the people. But in order to find them, we have to negotiate competitive salaries, and if we have the resources, we can do that.

Ms. MILLENDER-MCDONALD. You do recognize the two-thirds/one-third formula that we have here in House Administration with reference to the Chair and the ranking member. Are you satisfied with the two-thirds/one-third and control—control not necessarily coming from the ranking member, of course, but that when you do request equipment or whatever from the chairman, he is amenable to that request?

Mr. THOMPSON. We have talked about it, and I am in agreement.

Ms. MILLENDER-MCDONALD. Very well.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

The gentlelady from California.

Ms. LOFGREN. Thank you, Mr. Chairman.

I was a member of the Select Committee on Homeland Security last Congress and am a member of the standing committee this Congress, and I can attest that the scope of the committee's work is very broad and the need for expertise is very serious. And so I think the request is a sound one. I do have a couple of questions about travel and space.

I very much agree—I have been in Congress now 10 years and I have never been on a CODEL. I am not a big traveler. But I do believe this committee really has to get out in the country and look at things and to examine them, and I plan to do that with the chairman and ranking member.

And so the question is, is the travel budget that you have presented to us adequate to make sure that all the members who should be there are out at the borders inspecting what is going on, and all the other sites that we need to go to?

I missed the last 2 hours of our retreat because I had a meeting here in Washington, so maybe that was discussed. I know we were going to discuss it.

Mr. COX. Well, what we did discuss at the tail end of our bipartisan retreat is our ambition to visit, as Mr. Thompson said, many parts of the country, as many as our congressional schedules allow. I don't think our travel budget that we have asked for here will be a constraint. It is, happily, a lot less expensive to travel around the

United States than it is to take congressional delegations to foreign countries. And a good deal of our travel will be focused on the United States of America because that is what homeland security is all about.

Ms. LOFGREN. Right. I also had a request about space.

We are a new committee, and my sense is that the staffs are kind of jammed in places that are not really optimal in terms of staff space. Is that your sense as well? And space has been a problem for a lot of committees, but I think it is particularly a problem for this one since we are new. And have you given some thought to what our staff space needs are as we address the space needs of Congress overall?

Mr. COX. Indeed. The Committee on Homeland Security has inherited the space that was made available on a temporary basis for the Select Committee on Homeland Security by the Librarian of Congress in the Adams Building, one of three Library of Congress buildings here in the Capitol complex. That clearly will be inadequate for a permanent Committee on Homeland Security inasmuch as, for example, it doesn't even include a hearing room or contiguous space for majority and minority staff.

What we are expecting will improve the environment in which we are operating is the completion of the Capitol Visitor's Center and the addition of those square feet to what we have to work with. We don't know necessarily that our committee would acquire any of that space, but the opportunities that would be created to move things around and provide something from nothing, which is really what we are looking at here as a brand-new committee, and it has got to find significant square feet for a permanent hearing room and space—the opportunities would thereby be created. We are expectant this will solve our problem, and I am working very closely with the Speaker on this.

I don't think we have any realistic expectation that we can get out of the box that we are in until, at the earliest, next year because that is the earliest that portions of the Capitol Visitor's Center that will come on line will be next year.

Ms. LOFGREN. Now, as for a hearing room, it is not a huge committee, but we end up jammed in these horrible little rooms that there is really not enough room for the committee. And I am wondering, have we received any commitment?

You know, I think about 10 years ago there was a Merchant Marine and Fisheries Committee. Who got their hearing room? Maybe we could claim that.

Mr. COX. We have, in fact, used that on occasion. That is one of the rooms that we have been using. It has been a movable feast; and it is one of the greatest discomforts that we have as a new committee, that we don't have our own space.

Ms. LOFGREN. But we expect we might get that when the visitor's center opens?

Mr. COX. I think that that is—you know, if you are looking for a way to get to break the logjam—and right now there just isn't a whole lot of space. We are not going to build a new building, so we have got to move things around and so on. But the opening up of that new space, I think will change the equation dramatically.

Ms. LOFGREN. Finally, I believe Mr. Thompson was going to say——

Mr. THOMPSON. A couple points.

One of the challenges we have is, as you know, one of our members requires an ADA-compatible hearing room. We have made that request of the chairman, and he has agreed, within his authority, to make sure that whatever hearing room we have is compatible with the law. And when we were a select, we had some problems, and we are trying to work through that also.

Ms. LOFGREN. That is a good point. The final question has to do with secure rooms.

I am ranking on the Intelligence Subcommittee, and we are having our first classified briefing tomorrow morning. But there is a real shortage of secure space to have those briefings in the Capitol. I am wondering whether you know—maybe the chairman knows—if that is going to be one of the things that might be improved with the opening of the visitor's center.

Mr. COX. It is my understanding that it is and, in fact, that the Intelligence Committee may well move into space in this new area of the Capitol Visitor's Center. Were that to happen, there would be secure space, as you know, in the Capitol itself that, potentially, the Homeland Security Committee could use as a portion of its space commitment. That space would obviously be inadequate in terms of the number of square feet, the hearing room and so on.

But I just want to take the occasion to thank this committee, thank Chairman Ney and other members of this committee for what you all did in the last Congress, giving us the resources that we needed to construct a SCIF in the Adams Building. It is expensive to construct secure space. We couldn't operate as a select committee without it for a number of reasons. And on an ongoing basis, when we move into permanent space, we are going to need that as well.

Ms. LOFGREN. Those are all of my questions, Mr. Chairman. And I know we have got space problems in all the committees, but this committee really is at the top of need because they are new. I thank the chairman.

The CHAIRMAN. We worked, I know the leaders' offices have worked and we have worked with Van Der Meid and Leader Pelosi's staff; everybody has tried to work to find space. It is so difficult.

And, again, eventually Congress has to—a suggestion I have is something across from the Cannon Building where we used to have the old page dorm. You can build something, be very close, you are not taking people and shifting half of them downtown or something like that. But eventually Congress has got to have the will to bite the bullet and get some more space.

Again, these buildings—I saw the flow chart that we will get to you all. These buildings were designed for 6,000 fewer people than are in them; and the working conditions are not healthy, and it probably wouldn't be tolerated, out in the public sector.

So hopefully we can work on it.

I thank both the Chair and the ranking member for being here today. Thank you.

Mr. COX. Thank you, Mr. Chairman.

The CHAIRMAN. We will move on to the Education Committee, Education and the Workforce.

I thank the chairman, the distinguished gentleman from Ohio, Mr. Boehner, for being here, and also Mr. Miller, the ranking member. And we will start today with Chairman Boehner for his testimony on the budget. Thank you.

STATEMENT OF HON. JOHN BOEHNER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. BOEHNER. Mr. Chairman, thank you. And it is nice to be back in my old committee with my colleagues whom I served with on this committee for about 8 years. I know this process that you are going through is a long one, and I will try to keep it short.

Our budget submission reflects, I think, an accurate and fiscally responsible representation of our committee's needs. And as I embark on my last term as chairman of the Education and the Workforce Committee, we have a big agenda ahead of us. But this committee has worked well with us the last two cycles, and I think that we have had the resources necessary to get our job done.

Our budget request represents a 5.6 percent overall budget increase, considerably less than what we asked for and received in the last Congress. Our budget, I think, reflects fairness in meeting the goal, providing one-third of our funding and staffing to the minority, and as in the past two Congresses, this request was developed in full cooperation with Mr. Miller and his staff.

It does provide meeting the goal of providing the minority with one-third of the staff and complete control over his portion of the budget. And we continue to have shared employees when it comes to the IT functions at our committee. We think—we started this 4 years ago, and it has worked very well. And as we look at the increases that we are asking for, it is primarily in the area of salaries and much of it would go to the shared staff that we have.

You know, the committee's legislative agenda includes reauthorization of the association health plan that we are working on today. We have a major budget—I mean, pension overhaul bill dealing with defined benefit plans for both single employer and multiemployer, and we expect that we will reauthorize the Higher Education Act this year.

We have a tremendous effort under way to try to improve the Head Start program as well as a lot of other bills that we have there, but—many of them we did last year; unfortunately, we have to do them all over again this year because the Senate failed to act.

But I would just say that our request includes upgrades to our software, hardware, communications, and Web streaming equipment. It also, I think, will allow us to update and upgrade our offsite data storage plans. And, finally, I think it will leave the incoming chairman, who follows my chairmanship, an adequate level of technology and resources to run the committee.

So, with that, I would just say to my colleagues, thank you for giving me a chance to work with you over the last two cycles. We try to take the money that you give us and use it wisely. And, with that, I would like to turn to my colleague, Mr. Miller.

[The statement of Mr. Boehner follows:]

Statement of the Honorable John Boehner
Before the
Committee on House Administration

March 16, 2005

Mr. Chairman:

Thank you for this opportunity to testify before the Committee on House Administration. As I begin my last term as Chairman of the Committee on Education and the Workforce, I am proud to have the opportunity to submit a budget that I believe to be an accurate and fiscally responsible representation of the Committee needs for the 109th Congress.

And since this will be my last time testifying before my friend and colleague from Ohio, I'd like to take the opportunity to thank him for the support he and his Committee have given my chairmanship over the last four years.

Our request again recognizes the Committee's legislative responsibilities at a time when issues within our jurisdiction are in the forefront of the Congressional and Administration's agendas.

As has been the case since the beginning of my Chairmanship, my friend and colleague George Miller, continues to play an active role in the budget development process and has total autonomy over how his share of the budget is used. I am also pleased to again report that our proposed budget meets the goal of providing one-third of the funding and staffing to the Minority.

In keeping with a policy I instituted in the beginning of the 107th Congress, Mr. Miller and I will continue our shared information technology staff arrangement. This cooperation will ensure that both the Majority and Minority stay current with technological advances and disaster recovery.

Our 109th Congress budget request represents a 5.6 percent overall budget increase – considerably less than our request for the 108th Congress. We feel that a 5.6 percent increase accurately reflects the committee's actual spending practices, rising costs associated with inflation, wage rates and the demand for updated technology. In fact our overall increase is largely driven by our shared salaries budget, the remainder of our budget categories remains virtually flat.

Mr. Chairman, this Congress as in last, the President's priorities include issues within the Education and the Workforce Committee's jurisdiction. And candidly, because so many of the bills within our jurisdiction were NOT acted on by the Senate in the last Congress, we must re-do most of what we did in the last two years. As a result, we have planned for the necessary resources to ensure that our legislative priorities and obligations receive thorough review.

While our jurisdiction spans many issues within the education and workplace arena, the Committee will focus on needed reforms: higher education, vocational education, workforce investment, head start, pension reform and many more.

Our Committee anticipates an extremely active agenda, both administratively and legislatively in the 109th Congress. Our funding increase will enable us to carryout the necessary functions of a successful Committee, which in turn will allow us to fulfill our responsibilities to this Congress and to the people of the United States.

Thank you for allowing me to testify. I'll be happy to answer any questions.

The CHAIRMAN. Mr. Miller.

STATEMENT OF HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. MILLER. Thank you, Mr. Chairman. And thank you for the opportunity. I appreciate the chance to appear here to support this joint funding request that has been developed by Mr. Boehner's office and our office.

I think he has properly characterized it in terms of its apportionments of funds and the control over those funds by the minority. It is a relationship that we have had since his becoming Chair of the committee.

I want to take a moment to offer my congratulations to your new ranking member, Congresswoman Millender-McDonald, on her appointment to this committee. And we look forward to working with her and with the staff of this committee as questions arise during the year; and also to recognize my colleague, other colleague from California, Zoe Lofgren, who is new to this committee.

I want to say that the relationship that I have with Mr. Boehner—we disagree on a great number of issues, but we do agree how this committee has been administered. It has been administered in a very fair and a very balanced way, I think.

With respect to the Democratic members, Mr. Boehner has found himself at the end of long afternoons where he has honored the right of members on our side of the aisle to offer amendments, to fully debate those amendments, and to have roll call votes on those amendments; and we are appreciative of that.

He has long been a supporter, as the chairman of this committee, Mr. Ney, has, that the minority would have an apportionment and allocation of one-third of those resources. And again this budget reflects that as—except for, as he pointed out, with the shared employees in the IT area, which I think works out to the benefit of both parties.

The important point is, I think, that our relationship has led the way in terms of the minority having full discretion over the use of those resources so that we can serve the interests of our members, their concerns with the issues that come before our committee, whether that is to gather additional information in their districts or in other places in the country, or to develop that information preparing for the markups in the committee.

I would say the only area in which we are disadvantaged, I think you have heard this now from a number of committees, and that is in space. We are simply at a point where we really are not able to function to our full capacity to serve our members on a very, very active and important agenda, simply because of the lack of space. We have talked about this now for the last several years, but I would hope at some point there would be some effort by the majority leadership in the House to start to figure out how to provide additional space.

I assume some of this impacts the majority also, but certainly it does the minority in a number of committees, and I know it is a concern that is being raised within our caucus about this resolution when it comes forward, because we have raised it now a number of years running in terms of the ability of the minority to function.

But, with that, I obviously strongly support our budget submission to this committee and support the efforts that went into writing that budget. Thank you.

[The statement of Mr. Miller follows:]

Statement of

THE HONORABLE GEORGE MILLER
Senior Democratic Member
Committee on Education and the Workforce
before the Committee on House Administration
Committee Budget Request
March 16, 2005

Mr. Chairman and members of the Committee, I appreciate having the opportunity to appear this morning with Chairman Boehner in support of our joint funding request, which has been submitted to you and introduced by both of us.

I want to offer special congratulations to my California colleague, Congresswoman Millender-McDonald, on her recent appointment as ranking member of this important Committee. I know that the activities of the Committee, and particularly election reform and fairness, have long been crucial issues for her, and we are all very fortunate to have her in such a key position.

I want to say, as I have in years past, that while Mr. Boehner and I frequently disagree on legislative matters before our Committee, he has administered the Committee in a fair and balanced way, and I appreciate his respect for the Democratic members.

Both Chairman Ney and Congresswoman Millender-McDonald have been vigorous supporters of the proposition that the Democratic caucus of each committee should be allocated one third of the resources, and I am glad to say that once again, Chairman Boehner has agreed to have our budget reflect that proportionate allocation. Except for several shared and administrative personnel, the breakdown of staff is two-thirds/one third as both the Majority and Minority have long asserted it should be. The same is true of other financial resources for equipment and other expenses. Unless the Minority has full discretion over the use of those funds, we cannot do our job with respect to oversight and investigation, which is a basic responsibility of the Congress. Absent control of the money which we are allocated, the one-third designation is largely meaningless.

I would say that one area where we are disadvantaged, and I do not blame the Chairman in this respect in particular, is in the allocation of space. We simply do not have enough space to accommodate the staff we need to assist our members, the press and the public. As a result, people are working in crowded settings that interfere with productivity and make private conversation difficult. I know that this is a complaint from many chairmen and ranking members, and I would echo that concern.

The budget we submit today is very, very lean, in keeping with our efforts to control the cost of government. Considering the very heavy legislative and oversight schedule for this committee as we deal with higher education, workforce training, pensions, Head Start, welfare and a host of other issues, this is a very tight budget and I would urge that you not reduce it further.

Thank you for the opportunity to testify again, and I would be pleased to respond to any questions you might have.

The CHAIRMAN. Well, I thank both the gentlemen for being here. Questions?

Ms. MILLENDER-MCDONALD. Model, model committee, Chair and ranking member.

The CHAIRMAN. Obviously not a lot going on there. Mr. Boehner, are you surprised? Do you want some questions? My staff has written a few if you would like them.

Mr. BOEHNER. No. We are in the middle of a markup over in our committee.

The CHAIRMAN. Actually, I don't have any questions.

I wanted to mention about staff though. You have a good staff. I know they are sitting in the front row on both sides of the aisle. And they really work well; they follow the procedures and the way that you are supposed to file things, working with our staff on both sides of the aisle. I think it is important for you to know, they don't cause any headaches; and that is wonderful.

Mr. BOEHNER. Trust me, I think Mr. Miller and I both understand that having good staff keeps us out of trouble, keeps us on the right path, and we couldn't do what we do without having good staff.

And we do have a good relationship both on a staff level and a member level at our committee. You know, while we may disagree over a lot of the policy issues that we have before us, as I like to say, there is no reason for members to be disagreeable with each other while they are disagreeing over the policy differences that we have. And over the last 4 years, I think Mr. Miller and I have worked to really change the culture of our committee, and it has been a really resounding success. It is a place that members want to serve on.

The CHAIRMAN. Thank you.

Ms. MILLENDER-MCDONALD. The only thing I want to say is, Mr. Miller, your request or your observation about space allocation has not gone unnoticed. I think several of the members, ranking members, have talked about that. So I have talked with the chairman, and we will try to see what can happen. But we are not clear.

Mr. BOEHNER. I may not be on my talking points here, but having served on this committee and having served in the Republican leadership, I think the issue of space is something that there ought to be an honest discussion about it.

These buildings weren't designed to have—the member offices weren't designed to have the number of staff that we have in them; and the number of committees and the number of committee staff, those, that space wasn't designed for that level of employment, either.

And it is easy for us to get buried in the work that the American people send us here to do, but from time to time it is good to step back and take a broader look at how we function. And I think that the space across the street that they decided to put a parking lot in, I would hope that is temporary. But I know, in my case, I have got employees who work several blocks away down at the Ford Building. I don't know how many employees are down there. But it is an issue that probably deserves the attention of the Congress in terms of how much space we really need to do the job that the American people send us here to do.

The CHAIRMAN. Thank you. Thanks to both gentlemen.

And we will move on next to the Energy and Commerce Committee.

Mr. BARTON. We are told that Mr. Dingell is on his way, if you want to take a slight recess.

The CHAIRMAN. I appreciate the chairman being here. Mr. Barton, we will go ahead and start with you.

STATEMENT OF HON. JOE BARTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. BARTON. Thank you, Mr. Chairman and ranking member. I am here to appear on behalf of the Energy and Commerce Committee. I am not going to read my entire statement.

We have submitted our budget proposal. There is some increase. Most of the increase is for personnel; 90 percent of our budget is for personnel.

We probably have half a dozen major policy initiatives we are trying to turn into law this year. From Medicaid reform to the energy bill to telecommunications to the abuse of steroids, and the Spyware bill. All that takes a lot of intellectual firepower, and on our committee that takes a lot of attorneys. So we are asking for an increase of 7 slots, mostly for those kinds of issues.

We give one-third of our budget to the minority. Ranking Member Dingell has a written statement and if he is here in time he will read it or submit it. He supports the budget, because we do give one-third of the slots and one-third of the budget to the minority.

We do have a request for some technology upgrades, but we also have received some money for technology upgrades very similar to what we see here in this committee. We want to say thank you for that. But there is some money requested to continue some of those technology upgrades.

And, with that, I would submit the written statement for the record and ask unanimous consent that Mr. Dingell's statement also be put into the record.

[The statement of Mr. Barton follows:]

WRITTEN TESTIMONY
THE HONORABLE JOE BARTON
CHAIRMAN
HOUSE COMMITTEE ON ENERGY AND COMMERCE

BEFORE

THE HOUSE COMMITTEE ON ADMINISTRATION
MARCH 16, 2005

Budget Request for the Committee on Energy and Commerce
For the 109th Congress

Written Testimony of the Honorable Joe Barton
Chairman
House Committee on Energy and Commerce

109th Congress Budget Request

Chairman Ney, Ranking Member Millender-McDonald, and Members of the Committee, I am grateful for the opportunity to testify before you today in support of the Committee on Energy and Commerce's budget request for the 109th Congress. My Committee has previously provided you with a formal request, including our oversight plan and many other materials, so this written testimony will be brief.

Let me focus on three key areas.

First, personnel. First year associates at K Street law firms – lawyers, yes, but perhaps not the most skilled attorneys in the land – are receiving salaries upwards of $150,000 per year. Most, if not all, of the business before the Committee on Energy and Commerce requires the expertise of attorneys who have considerable experience in their fields – telecommunications, energy policy, the environment, health care, and consumer protection. If lawyers just out of law school are being paid $150,000 per year, you can imagine what attorneys who actually know what they are talking about are receiving.

That is the competition we face. There has always been a considerable difference between public and private sector salaries for attorneys, but in the last few years, this inequity has become grossly exaggerated.

There should be no crime, therefore, in our coming before you and requesting fully 90% of our budget for personnel costs.

We will never be able to match K Street salaries; we know that. But we must make our compensation structure attractive enough to those who desire to devote some of their careers to public service affordable enough for them to do so.

Our need is especially critical in light of the complex work ahead of us. We will shortly begin reinvigorating our effort on a comprehensive energy bill. In addition, as Mr. Dingell and I have discussed on a number of occasions, we plan some similarly comprehensive bills in other areas of our jurisdiction. Specifically, I plan the first NIH authorization in a decade. I want to look long and hard at our Medicaid program – and in fact we may have to do that sooner rather than later because of the potential for a reconciliation process this year. I also plan a comprehensive telecommunications bill, the first major rewrite of those laws in nearly a decade. In order to meet the challenge – and the opportunity – presented by these and many other issues, we must have adequate resources and personnel. You should know that I am requesting an additional seven staff slots as part of this request.

Second, minority resources. Beginning in the 107th Congress, we reached the bipartisan goal of allocating fully one-third of Committee resources and one-third of Committee staff slots to our minority. Our budget proposal continues this allocation.

Of course, reaching the one-third goal comes with a price. The majority cannot simply give away the resources required to attain them – the Committee would simply cease to function. As a result, a large part of our requested funding increase can be directly attributed to our effort to give the minority additional resources.

Third, technology. On behalf of all my Members, I want to thank your Committee for the resources you have provided us to upgrade our hearing rooms over the last few years. In order to take

full advantage of those upgrades, though, we will have a continuing need to procure technologies that maximize their use. We have therefore submitted a pretty significant request for such technologies.

Again, I thank the Committee for the opportunity to testify today, and of course will be happy to answer any questions

The CHAIRMAN. Without objection.

[The statement of Mr. Dingell follows:]

WRITTEN TESTIMONY
OF
THE HONORABLE JOHN D. DINGELL
BEFORE
THE COMMITTEE ON HOUSE ADMINISTRATION

COMMITTEE ON ENERGY AND COMMERCE
OPERATING BUDGET FOR THE 109TH CONGRESS

March 16, 2005

Thank you Chairman Ney, Ranking Member Millender-McDonald, and the Members of this Committee, for providing me this opportunity to appear before you. I join with Chairman Barton in proposing a budget that reflects the increased workload for the Committee on Energy and Commerce. We believe the requested sums are necessary and desirable. The Committee has gotten off to a very fast start and each of the six subcommittees has more than a full plate. We expect a very busy Congress under Chairman Barton's leadership, addressing comprehensive energy legislation, a rewrite of the telecommunications act, reauthorization of the National Institutes of Health, and a host of other significant matters.

I note that the proposed budget, after excluding five slots and salaries for personnel who support the shared operations of the Committee, continues to allocate the minimum 33 percent of staff slots to the minority and the minority share of the funding will remain at one-third as well.

Because of this, and because of the workload facing the Committee, I support the budget request. I thank you for your consideration of our funding request for the 109th Congress, and urge this Committee to accept it.

The CHAIRMAN. I thank the Chair—questions?

Ms. MILLENDER-MCDONALD. No.

Thank you, Mr. Chairman. I have spoken with Mr. Dingell prior to your coming aboard, and he did acknowledge his complete support of the budget that you are submitting and the one-third allocation. And so I think, with that, Mr. Chairman I have nothing else but congratulations on the camaraderie between the two of you.

Mr. BARTON. We work very well together.

Ms. MILLENDER-MCDONALD. Good luck on your year. This seems to be an easy committee.

The CHAIRMAN. Well, thank you for coming, and also the submission of the statement by Mr. Dingell.

Mr. BARTON. Okay. Thank you, Mr. Chairman.

The CHAIRMAN. Next we will move on to Standards.

The committee will in recess for more or less 5 minutes.

[Recess.]

The CHAIRMAN. The committee will come to order, and the next committee on our agenda is Standards. We have the chairman, Mr. Hastings, and the ranking member, Mr. Mollohan. We will start with the chairman.

Welcome.

STATEMENT OF HON. DOC HASTINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. HASTINGS. Thank you. Good afternoon, Chairman Ney and Ranking Member Millender-McDonald. I appreciate this opportunity to appear before you and your colleagues today to present the Standards Committee budget request for the 109th Congress.

I think it goes without saying that every committee in the House contributes much to the important work of the Congress. Having said that, however, I think each Member of this body would acknowledge the truly unique role of the Ethics Committee, as we are more commonly known.

I think it is also safe to say that none of us came to Congress dreaming of some day serving on the ethics committee. But let me assure you that, once receiving that assignment, safeguarding the integrity of this institution is a solemn responsibility that no member of the Ethics Committee takes lightly.

As you know, our committee has two primary tasks—to educate, inform, and advise Members and staff about their ethical responsibilities under the rules of the House; and to enforce those rules firmly and fairly without regard to friendship, favor, or political party.

Mr. Chairman, the American people have every right to insist on the highest ethical standards here in the people's House, and it is our job to help ensure that the American people's expectations are met. Therefore, each day that we serve on the committee our overarching goal is to ensure that those of us privileged to work in these hallowed halls conduct the people's business in a way that raises public confidence in the essential integrity of this institution.

It is a challenging assignment, but as the new chairman of the committee, I can tell you that I am ready to go to work.

I am fortunate to serve alongside an outstanding Member, and a veteran Member of Congress, Mr. Mollohan of West Virginia, my ranking minority member.

As you know, Mr. Chairman, the committee has not yet formally organized and has adopted no rules for the 109th Congress. Nevertheless, we have consulted with the Parliamentarian and have been assured that under the rules of the House, we are free to take various administrative steps such as requesting operating funding, which would aid our ability to fully function once the Democratic members of the Ethics Committee agree to allow us to move forward.

Therefore, with the Chairman's permission, I will take just a few minutes to highlight our plans for the 109th Congress.

Mr. Chairman, recent events have certainly underscored the importance of providing the highest quality ethics education, training, advice, and information to both Members and staff and at the same time have highlighted the need for us to meet sufficient investigative capability to carry out our importance compliance and enforcement functions.

I truly believe that all Members and staff generally want to do the right thing when it comes to ethics. Our obligation to them is to do everything possible to help people understand the rules and to follow those rules.

That means taking a hard look at our publications, our training programs, the way we use communication tools and technology, and the way we provide advice and counsel.

To that end, Mr. Chairman, I am requesting a substantial increase in our funding for salary, equipment, and travel in order to fund six new positions and provide our committee with the tools needed to better serve Members and the staff within the House.

Mr. Chairman, for the first time in 13 years, the committee plans to publish a comprehensive House ethics manual. The committee will work with GPO to produce a manual that is more clearly written and attractively presented than the badly outdated 1992 version still being used throughout the House. Considerable effort will be made to upgrade the committee's other publications and educational materials to better assist Members, officers, and staff in understanding their responsibilities with respect to ethics rules here in the House.

The committee plans to contract with an outside vendor to completely rebuild its Web site to make it more easily searchable as well as more attractive, interactive, and useful for those inside the House as well as the press and the general public. A top committee priority will be to significantly improve both the quantity and quality of ethics training for Members and staff.

The CAO recently commissioned a comprehensive study of professional training needs in the House which identified more extensive ethics training is among the most pressing needs singled out by those surveyed. Among other things, we plan to add a professional trainer to our staff, broaden our focus for Members and their top aides to every employee in the House, making ethics training much more widely available to staff here and in the district as well.

Among the committee's most essential functions is to provide advice and counsel to Members and staff concerning ethics rules in

the House. By adding professional staff to focus principally on publications and training, and by adjusting the way the committee processes thousands of financial disclosure filings each year, we expect to free up attorneys on our advice and education staff to measurably improve our turnaround time and general responsiveness to requests from those we serve.

Finally, the addition of two experienced investigative counsel will enable the committee to strengthen its investigative capability, enhancing our ability to ascertain the facts when ethics violations are alleged, and permitting the committee to provide Members and staff with timely disposition of the complaints once filed.

Mr. Chairman, we all recognize that these are challenging budget times and that committee funding dollars are tight. Clearly our request this year is a dramatic departure from the very modest increases the ethics committee has sought in the past. While most committees have gradually expanded their capabilities over the last decade, this committee has not, opting instead to request only enough funds to maintain existing staff and replace worn-out equipment as needed.

Indeed, since adding one new position 10 years ago, the committee's authorized strength has remained absolutely flat at 13 positions throughout the 105th through the 108th Congresses. As you know, the ethics committee has long had by far the fewest employees and lowest budget of any standing committee in the House. Thus, while the percentage increase in our proposed funding level of 55 percent appears high, in actual dollars, the increase we are seeking is easily among the smallest that you will receive in your testimony.

In closing, Mr. Chairman, I would like to encourage you and your colleagues to look carefully at our plans to create a more ethical climate and ethical culture in the House and urge you to support this important effort. This is a pivotal time for the institution that we all love.

It has always seemed to me that interest in ethics tends to run in cycles. By taking advantage of this renewed interest to build a more robust capability in the ethics committee, I am confident we can create throughout the House a greater awareness and appreciation of the ethical responsibilities that are incumbent upon all of us who are privileged to serve here.

Thank you very much.

The CHAIRMAN. Thank you, Mr. Chairman.

The Ranking Member, the gentleman from West Virginia.

STATEMENT OF HON. ALAN B. MOLLOHAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WEST VIRGINIA

Mr. MOLLOHAN. Mr. Chairman, Ranking Member Millender-McDonald, it is a pleasure to join my Chairman, Chairman Hastings, here today to support our budget request for the ethics committee.

The CHAIRMAN. I am sorry, Mr. Mollohan, I think the microphone needs to come closer, or maybe push the switch there.

Mr. MOLLOHAN. I had not turned it on, Mr. Chairman.

I do support the Chairman's request, Mr. Chairman, in general, its overall number, and in large part as he has particularized it.

The ethics committee, as he points out, performs an essential service in the House of Representatives. It has not enjoyed a budget increase for years, essentially being flat-funded. And with regard to all of the elements that are very important for a committee to operate efficiently and function in a way that performs its mission for the institution, it must have adequate resources, adequate personnel, adequate materials, up-to-date equipment that is modern, spaces that are adequate to accommodate the people and their activities; and then, as the Chairman points out, there are certainly processes that can be addressed that additional resources would be necessary in order to accomplish.

Mr. Chairman, I am here to support the Chairman's request and hope that the committee can be responsive.

The CHAIRMAN. I want to thank both gentlemen. I just have a couple of questions.

You talked about the training monies, and I think in your testimony somebody suggested additional training monies. Those were not there before, and there is no problem with that. I am just curious about what skills you hope or what the training will bring to the staff. Is it a matter of internal training for the staff?

Mr. HASTINGS. That is correct. One of the things I have learned and absorbed in the time I have served on the committee, when Members have a question or an issue is brought before the committee, I think ignorance plays a part of that. I say ignorance; ignorance of what they are supposed to do. I think it is the responsibility—and by the way, the 1992 ethics manual is about that thick, if you recall. In fact, here it is. It is pretty hard to comprehend everything in there.

So part of the training process, then, would be from an outreach standpoint where staff on ethics committee would meet with not only the top staff in the Members' offices and Members, but all the way down. At least we envision that, and we want to work on that.

The CHAIRMAN. I know here in House Administration, it is not ethics, but, as you know, we advise on House rules, procedure and use of equipment, different questions, and we have a Member service section. If you take the Democrats and Republicans, I think we probably have about I want to say seven or eight people that deal constantly with answering questions. And that is just here. So I know you have to have internal people. If you don't have people, it is difficult to get the questions answered. But we have our manuals, which we have updated, and I am glad to hear you are updating.

From the time I have been here, this has been a very flat-lined budget. We can only deal with what requests are brought to us, but I think it has been pretty much flat-lined, and I think you are at a turning point if you want to do the job. And I think you need to do the job. You have to be able to do the job, and so you have to have the resources to do it, and nothing should stand in the way.

I think you are at a turning point staffwise and equipmentwise, so we have to consider the money you are requesting so you can use it to conduct the business that you need to do.

I just have one final question. We are aware that the committee plans to hire a new chief counsel. Do you have a time frame? Not

pinning you down exactly, but when you would want to hire a new counsel?

Mr. HASTINGS. Yes, we want to do this as soon as possible. Because of the unique makeup of the committee, that is five-five, I intend to work closely with Mr. Mollohan on that. In fact, we have already discussed if he has people that are interested in this. We encourage that, and we will go through a joint process of interviewing and hopefully making a selection as soon as we possibly can.

Again, I want to emphasize, because Alan and I have talked about this, this is a joint issue because of the nature of the committee, and I fully intend to work with him on that. But we want to do that as soon as possible.

The CHAIRMAN. Thank you.

Mr. MOLLOHAN. Mr. Chairman, if I can follow up on that?

The CHAIRMAN. Yes. I am sorry.

Mr. MOLLOHAN. This request is a significant increase, and if you were to grant it, it would be a significant increase to the committee. There is no question about making available additional resources to the committee, which can be used to—in all the ways the Chairman has spoken to, and that I agree with.

I do want to emphasize, though, that in the past, at least during the last Congress that I served on it, in terms of our investigative capabilities, moving cases along, the staff we had was adequate to do that job. Now, that doesn't speak to equipment, that doesn't speak to redoing manuals, that doesn't speak to the outreach activities that the Chairman has articulated here, which I completely support. But in terms of the investigative functions and moving cases along, I think the committee has performed in that area very admirably based on the resources it has had in the past and as we have come and testified before you in the past.

The previous Chairman and myself as the Ranking Member in those instances, if we had felt at that time we did not have enough resources for those functions, we certainly would have made the committee aware of that. The Chairman is proposing additional activities enhancing those investigative activities, which I think we need to look carefully at what resources we do need on task, dependent on the workload facing us at that time. But the increases will allow us to engage in other activities, which I totally agree would be, taken as a whole proposal, a good thing. We may have to work through some of the details of the proposal, but the resources are needed, and I support the gentleman in his request.

The CHAIRMAN. I understand and appreciate the gentleman's comments, and having worked on this budget for 4 years now as a chairman, and watching the proposals that come here, I agree the adequacy is there. But, obviously, with flat-lining, though, I don't care what committee you are, this committee was held in a pretty flat-line status, and it functioned. House Administration functioned, and my predecessor did a marvelous job here. But eventually, if you want to do other things to enhance the committees, and all committees are important, then I think the increased money is important.

So it is not entirely a matter of money; there is staff training and things, but in this case—and I do not know how we will end up

at the end of the day with all the committees, but I believe we need to give you the resources with the important tasks that you have.

Ms. Millender-McDonald.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman, and I agree with you. I support the comments of the Ranking Member, because I was about to ask if you were satisfied and had been involved in the budget process with the Chairman.

And I appreciate the Chairman's comments as well. And I was going to ask you that before you spoke, given the Chairman's statement in the second paragraph on the second page, he stated that the committee had not yet fully organized and adopted the rules of the 109th Congress. At the bottom of that he said, "Such as we are requesting in this operating funding, it would aid our ability to fully function once the Democrat Members of the ethics committee agree to allow us to move forward."

So I was just wondering if there were any impediments with this budget with reference to the Ranking Member. But you have already spoken.

Mr. MOLLOHAN. I didn't hear the Chairman read that part of his statement, and I don't have it here, but I can remember what you said.

Well, that was probably an irresistible throwaway that he had to put in there.

Ms. MILLENDER-MCDONALD. I see. It was good you spoke before I came on.

Mr. MOLLOHAN. Since you picked it up, I appreciate the opportunity to ad lib about it a bit.

We are in a process, a very serious process, of organizing the committee. As the Chairman pointed out, there are a number of things that we can do which—in spite of the fact that we have not successfully adopted the rules of the committee, and we are moving forward and with conversations as necessary to define those areas that we can operate.

We have not agreed to the rules as directed in the House, as passed on opening day, the House rules. Embedded in those were three rules directed that the ethics committee adopt. They are objectionable for reasons that is unnecessary to detail in this forum. But suffice it to say that we are in the process to work through that, and I am perfectly confident that through a process of reasoning together and moving the bigger picture process in a reasonable way, that we will have a very good chance of resolving it in the near-term time frame so that we can move forward with the full business of the committee.

Ms. MILLENDER-MCDONALD. Aside from the internal aspects of what you are outlining, the budget and all that he is bringing forward, you are in agreement with that?

Mr. MOLLOHAN. Yes, I agree with the overall request certainly, as the Chairman graciously pointed out. In the nature of the committee we will work closely on the details. But I support his vision, and I think the idea of reaching out, the idea of enhancing the educational capabilities of the committee, notifying all those that the committee has jurisdiction over what their responsibilities are with regard to ethics as they operate in this institution, I think all that is very good. I agree with the premise that to the extent that edu-

cational effort is done in a good manner, we will decrease the number of disappointments that we have.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman.

The CHAIRMAN. Other questions?

Ms. LOFGREN. Mr. Chairman.

The CHAIRMAN. The gentlewoman from California.

Ms. LOFGREN. Thank you very much.

I served for 8 years on the Ethics Committee, and it was the only time I have ever been glad for term limits, but it was a very interesting experience and, a very positive one. It is the only committee in the House that is evenly divided, five Republicans, five Democrats. And in my 8 years on the committee, there was only one divided vote, a 9 to 1 vote on a procedural matter. Everything else was unanimous. I think we would be hard-pressed to identify another committee where that has been the case.

Because the rules and the operation of the committee really require consensus between both of the political parties to act, this may not be that important. But am I understanding correctly that one of the positions that would be added, if there was concurrence by Mr. Mollohan, would be a press type of person?

Mr. HASTINGS. No, it would not be at all. It would be somebody that would focus on this and then on publications that would go out on a timely basis whenever.

Ms. LOFGREN. So not a spokesperson, a person who actually produces material?

Mr. HASTINGS. Right.

Ms. LOFGREN. Because I know that we cannot talk to——

Mr. HASTINGS. No, that is right, that was not the intent. And I might add that you and I did serve on the investigative committee, so I know you know some of the stuff you go through. But believe me, that was not what we were talking about.

Ms. LOFGREN. Okay. I have just two more questions. One is a niggly one.

Members of the committee, because it is all confidential, are required to keep the written material confidential. I know when I was on the committee, I received a shredder from the committee that never worked. Do you have enough money in the budget to actually provide industrial-strength shredders for the committee Members so that they can adequately discharge their obligation of confidentiality?

Mr. HASTINGS. Well, mine worked.

Ms. LOFGREN. I used to go over to the committee.

Mr. HASTINGS. No, we will make sure that they work. I was certainly not aware of that. But, yes, that is something that we, as a matter of fact, talked about early when we attempted to organize was that those things be made available.

Ms. LOFGREN. The final question—it was something that your predecessor talked about, and I do not think we ever got around to doing it, and I still think it is worth doing—to review some of the rules to make sure that they actually make sense. Some of them are quite petty and, apparently, irrational.

For example, you can accept the gift, if you will, of going to a football game if it is a public university, but if it is a private university, you cannot. So, for example, when San Jose State plays

Stanford, if I sit on the State side, the ticket gift is acceptable; but if I sit on the Stanford side, it is not a gift. I don't go because San Jose is in my district and Stanford is my alma mater. But just as an example, they should be the same. I am not suggesting it should be free for private universities; maybe you should also pay the public university.

But there are dozens of weird little rules that people can run afoul of because they do not seem to make any sense. And I am wondering if you have the budget to actually engage in that analysis and make sure that common-sense rules actually are in play.

Mr. HASTINGS. Well, I think that is something that we should look at. And, again, going back, these are the rules that we go by. Not everybody knows that, and probably within this there are probably more examples of which you point out of things that need to be looked at very closely. I suspect probably in the process, when we do this, some of these things will pop up.

I might add, to go along with that, from the State of Washington that we have Gonzaga University and the University of Washington in the NC2A. One is private, and one is public. So, hopefully, they meet sometime along the line.

Ms. LOFGREN. I just used that as an example. There are many. And there are reasons for some of them, but you attenuate them out 25 years, and they do not really have any meaning, and people make mistakes because they seem so bizarre. So people get into ethical problems when they haven't really done anything that is malum per se.

Mr. HASTINGS. I think those sort of things will pop up.

Ms. LOFGREN. All right. Thank you, Mr. Chairman.

The CHAIRMAN. I want to thank both Members for being here today.

We are waiting for the Ways and Means Chair and Ranking Member, so there will be a recess of 5 minutes, more or less. Thank you.

[Recess.]

The CHAIRMAN. We welcome the Chair of the Committee on Ways and Means. You are familiar more than I with this role, because you created it, and that is a compliment. So we welcome and we await your testimony.

STATEMENT OF HON. WILLIAM M. THOMAS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. THOMAS. Mr. Chairman, thank you very much, and I would ask unanimous consent that my written statement be made a part of the record.

The CHAIRMAN. Without objection.

Mr. THOMAS. I come before you, and I believe my Ranking Member will be with us shortly. He is at another meeting. Notwithstanding the fact that, if you will look at his statement, I think you will find that we worked together in creating the budget. More than just that, Mr. Chairman, I am pleased to appear before you as the chairman of a major committee who can say that the quest that I started in 1981 as a Minority member of this committee, clear through the time that I was chairman of this committee, has now been accomplished.

In the Ways and Means Committee, the Majority controls two-thirds of the staff and resources; the Minority controls one-third of the staff and the resources. And that was my goal, as you know, and I am hopeful that the reports you are getting from other committees is that that is being honored as well.

One of the reasons it took us so long in Ways and Means was that there were more than a dozen staffers who were classified as shared staff. And the argument was they were shared because they carried out committee business that really wasn't something that belonged to the Majority or the Minority. I happen to believe if you are the Majority, you have the responsibility of running the committee, and those people should be counted on your side, notwithstanding the fact they may carry out ministerial tasks, because they are under your direction.

And so with the two additional staff that we are requesting, and I think you will take a look at the number of staff that we have, and the two additional, given the workload of the committee, it is not exorbitant. But it does allow us to remove the last vestiges of the shared-staff concept, in which the Minority controls fully, completely, one-third of the staff and fully, completely, one-third of the resources, not having to ask the—request of the chairman to use a Xerox machine or get a new computer or whatever else.

So with that, Mr. Chairman, I am pleased to present the budget. I guess my strategy was a little off. I probably should have said I will just take half of whatever you guys get. But what I did do was go through and look at what we needed to do the job we have.

I believe especially, as you can see, it is a little bit front-loaded for this year, which is a longer year in terms of the time that the committee meets, and next year it is about 6 percent, 4 percent, and that is 10 percent for everything that the committee has available to it to perform its duty overseeing the entire Internal Revenue Code, Social Security, Medicare, trade, welfare, and a few other cats and dogs.

The CHAIRMAN. Well, I thank the Chair.

[The statement of Mr. Thomas follows:]

Statement of Chairman Bill Thomas
Committee on Ways and Means
Testimony Before the Committee on House Administration
109th Congress Funding Request
March 16, 2005

This statement is submitted in support of the budget request of the Committee on Ways and Means for the 109th Congress.

The 109th Congress is the third Congress in which I have the great honor of serving as the Chairman of the Ways and Means Committee. I look forward to an ambitious and effective legislative session. In the 108th Congress, the Committee provided leadership which led to 41 public laws, held 33 markups and meetings, and 71 hearings. I believe the Ways and Means Committee effectively moved several significant pieces of legislation through the Committee and the House floor. The Committee passed additional individual tax relief measures, an economic stimulus and job creation package, Free Trade Agreements with Australia and Morocco, and other important programmatic reforms and oversight functions. Working together, these were signed by the President and we are continuing to see the positive effects of these laws on American individuals and families and the impact on American jobs and the economy.

Once again, many of President Bush's highest priorities fall within the jurisdiction of the Committee on Ways and Means. These priorities include retirement security, tax simplification, oversight of trade negotiations with countries around the world, welfare reform, and oversight of Medicare's new prescription drug benefit.

We are pleased that the Committee will be providing support to five new Republican Members (one of whom is returning to the Committee having been "on leave") and three additional Democrat Members.

On February 2, 2005, the Committee on Ways and Means met and approved by voice vote its Committee budget. The budget request reflects a modest increase to support additional personnel to handle these priority issues as well as to complete the process of fully transitioning the Committee budget to a two-thirds/one-third allocation between the Majority and Minority. This will be a full transition for both Committee resources and staff. As you know, the Committee expressed its commitment to a full transition before your Committee when I became Chairman in the 107th Congress. During that Congress, the Committee was able to transition to a two-thirds/one-third allocation of resources, including computer equipment, and a 50 percent reduction in shared staff (from 10 to 5). In the 108th Congress, the Committee again allocated one-third of its budget to the Minority and continued to reduce by an additional 20 percent the number of shared staff (from 5 to 4). This session, the Committee will complete the transition of staff to a two-thirds/one-third allocation.

I would also like to take this opportunity to thank this Committee for its assistance with the upgrades made to the Ways and Means main committee hearing room. The architectural and interior design of the room appears similar to its original design in 1933 when the Committee first met. In addition, several technological improvements were made to bring this room – which serves as the alternative to the House floor in the U.S. Capitol -- into the 21st

Century. These renovations include improvements in the following systems: audio, lighting, video, and safety/disability.

I believe that this budget request is prudent and was undertaken in full consultation with our Minority. Therefore, I respectfully request that the budget request of the Ways and Means Committee for the 109th Congress be approved.

The CHAIRMAN. Personally, your staff and I know you, because you have looked over these things, and it was so well done that I have no questions from our staff. So I think it was a very well done budget, and it is a good, well-prepared budget. I really have no questions.

The gentlewoman from Michigan.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I have no questions either. I will say that your reputation precedes you, in terms of being the former Chair of this committee, in outlining the formula of two-thirds and one-third, and you have admirably ensured that the Ranking Member shares that. So we thank you so much for establishing that type of formula.

Thank you, Mr. Chairman.

Ms. LOFGREN. I would just say, Mr. Chairman, that it is good to hear your comment about the Majority assuming the administrative task, because it is my understanding that is really the rationale for the two-thirds/one-third split of committee resources, and I think that is a reasonable plan.

I mean, you could argue another way, but that is what we have. And not all of the chairmen have taken your attitude. So it is good when you can argue and fight about policy, but not about the paper clips. So I thank the Chairman.

Mr. THOMAS. If I might just make a couple of points. I assume other committees may have mentioned this. It is extremely difficult to continue to have as positive a working environment as we would like because the committees do not control the space, and space always is at a premium.

We stand ready to assist in whatever you folks may look at as a project to try to figure out, as we add a significant amount of square footage to the general Capitol area with the visitor's center and adjoining rooms, that we should be especially zealous in working with leadership to pick off a room or two near the committees so that we have a comfortable way—we have used all the air shafts and the behind-the-chimney areas that we have. So as we move forward, moving into that new addition to the Capitol, I would hope we underscore trying to salvage a little bit of space for the Members.

Secondly, Mr. Chairman, I would like for the record to urge you to come on by the Ways and Means Committee. We have undergone a renovation of the Ways and Means Committee room for the first time in a decade and a half. It has been historically, and is being planned in the future, if necessary, to be used as a fall-back floor of the House of Representatives. The modernization included significant upgrading of the technology not necessarily for the committee's operation, but because it would function as the House of Representatives Chamber.

But we are also very pleased with the restyling in the colonial revival period, which was the period of the 1930s initial design of the Ways and Means Committee room, and it has a nice historical ambience. So if anybody wants to come over, we are kind of pleased to show off our new room.

Thirdly, I have looked at the budgets, it is kind of an old habit, and we have new chairmen, and we have new needs, and especially with the shifting because of the post-9/11 and a new full com-

mittee, but I will say this on the record, and I will visit with some of the committee chairmen, that you should not reward failure to move toward a fair allocation of resources. Those committees that are not in that frame of mind will give you every reason in the books why it can't be done. I just wanted to show you that if you are committed to doing it, you can do it. And you should help supply some of the resources focused on moving in that direction.

And, frankly, if they do not move in that direction, then the resources that could have been used for that purpose are perhaps not as useful in perpetuating the failure to meet a commitment that I believe we made in the Minority when we became the Majority.

The CHAIRMAN. I thank the gentleman for his comments. I would make just a couple of comments on the space. I was on this committee, and I have been on it for a decade. You became the Chair, and I went on the committee, and we went into the 21st century for the first time with the Web pages, and everything was lit up on opening day, and all of a sudden the entire world had access to the U.S. House for the first time.

And then the technology. I haven't gotten over to the hearing room, I will, but we moved to get certain hearing rooms done and to work the Architect of the Capitol and your staff and the other staffs to push, because that is another goal that is not finished yet. We have the appropriating arm, and we have made a commitment there to modernize everything. Some rooms are done, some are not, and we really need to finish that up.

The two-thirds/one-third. After I became Chair, something I immediately did when I became Chair, as you did, and that was to allocate the two-thirds/one-third. You did a great job. I said that today earlier when we talked about this, and the other day when we held hearings. You did a wonderful job of moving us in that direction. You made a total commitment to moving us, and you pushed to do that.

About 4 years ago, I think it was, we had a couple of committees where we pushed them along while they kicked or moaned or whatever. The process was to get them there. And we want to make sure we don't slide back. So I think it is something that we have talked about, of course, with our Ranking Member and the members of the committee, and that way that argument is out of the way. It is not something to be argued every time. It was a goal that you really pushed and did a wonderful job on and something we want to continue to do.

But I want to say something about the 21st century also. As we went into the modern world, it brings more people in contact with our government around the world, around the country. There are more questions to be answered, more resources needed then, because you have an obligation to answer individuals that communicate with their government, who come to Washington and are more active with their government. And there comes a point in time when you have to ask, how many people can you cram into a room? Something has to give here at some point in time to have some more space. It is a dilemma. And it is past its time. Some trigger has to be pulled on that.

Mr. THOMAS. Mr. Chairman, I am committed to a paperless Congress. We are moving in that direction. But I do not think it is possible to have a peopleless Congress. We need the space.

The CHAIRMAN. Thank you very much for your testimony.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I hope that invitation is extended to the Ranking Member to come and look at the Ways and Means Committee room.

Mr. THOMAS. I urge all Members to take a look, because it was a major project. And, of course, as you might expect with technology, most of it is not visible, but you can see the results of the project.

Frankly, it is something that we should all be proud of. And as we change these various rooms, we never get the attention that we should in terms of the way we try to respond to people's needs in the 21st century, as the Chairman said.

I am kind of amazed at the equipment that you have got. I want to doublecheck mine.

Ms. MILLENDER-MCDONALD. You see yourself coming and going; right.

Mr. THOMAS. In more ways than one, ma'am. And I appreciate the continued replacement.

The CHAIRMAN. Thank you very much.

Next we will have the Intelligence Committee. I want to thank both the Chair and the Ranking Member for being here today, and we will begin with the Chairman Mr. Hoekstra.

STATEMENT OF HON. PETER HOEKSTRA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. HOEKSTRA. I would like to begin by thanking the Chairman of the committee for providing us an opportunity to present our budget to you today. I would like to submit my entire statement for the record.

The CHAIRMAN. Without objection.

Mr. HOEKSTRA. And let me just make a couple of points. You have had the budget for a period of time. I think we were one of the few committees to submit it to you on time when you requested it. We have been able to work very much in a bipartisan way in preparing the budget, much as Jane and I have had the opportunity last fall to work together on the implementation of the intelligence reform bill and the passage of that bill through the House of Representatives.

We are working very, very hard to keep the spirit of bipartisanship alive on the Intelligence Committee. The issues that we are working with are too important for us to drag into partisan politics. And I think we are both taking that seriously, and that process has continued as we have approached and developed this budget.

The major changes in the budget that are proposed from the last Congress are the implementation and our responsibilities from the passage of the intelligence reform bill and also the report that came out by the 9/11 Commission last fall. The 9/11 Commission last summer, last fall, in their evaluation pointed out that one of the weaknesses that they had observed was the weakness in congressional oversight of the Intelligence Community.

There have been some reforms that have been made in the intelligence area to improve our oversight on the Republican side. The Speaker of the House now, as Members move on to the Intelligence Committee, they are asked to give up other committee assignments so that they will have the opportunity to spend more time on what the Speaker has identified as a critical function.

Jane and I, in the work we have done, as we put together the annual plan for this Congress, we identified the need for specifically a Subcommittee on Oversight, a subcommittee that we could task with key projects and key oversight responsibilities. The oversight functions that we see of most critical importance in this Congress is implementation of the reform bill that we passed last year, bringing together 15 different intelligence organizations under a new Director of National Intelligence; recognizing that the passage of that bill against many entrenched bureaucracies and bureaucrats was difficult enough, but now for Ambassador Negroponte to move into that responsibility and take what we envisioned as a reform and making it a reality.

There are a couple of things we have to monitor very closely. Number one, we want to monitor that Ambassador Negroponte actually moves the Intelligence Community in the direction that the intelligence reform bill intended the reform to take. So, number one is the executive branch implementing the legislation the way Congress intended it to happen.

The second thing we need to monitor is that as that implementation is taking place, are there unintended consequences? Are there things that we expected to happen? Are there changes that we envisioned, changes that would be positive for the Intelligence Community, and, in effect, are we seeing some unintended consequences?

It is absolutely important that we get this intelligence reform bill implemented and that we get it implemented correctly. And the footprint for making that happen will be the next 12 months, the first 12 month of a Director of National Intelligence. This is where some of the early battles will be fought. This is where some of the decisions will be made as to what the scope and the responsibilities of the Director of National Intelligence will be. We need to make sure that we are there providing the appropriate oversight and getting the kind of results that we had hoped that we would get.

In light of that and other responsibilities that we want to carry out in oversight function and other responsibilities of the committee, we have asked for an increase of nine staff positions, divided six for the Majority and three for the Minority staff.

The only other thing we would like to highlight to you is what we have already talked about. We are moving from the fourth floor attic of the Capitol to, interestingly enough, into the basement of the visitor's center. And we have had some discussions as to who and where and how the costs will be allocated for those spaces; what will be the responsibility of the committee; what will be the responsibility for the Architect of the Capitol to bear and to budget into their plans. And we look forward to working with you, because not only do we need a state-of-the-art intelligence capability and function in the visitor's center for us to do our jobs, but we also

see that these secure spaces will also be used by a number of other committees when they have the need for secure facilities.

I think a number of my colleagues have seen some of the capabilities that our military has had to communicate worldwide in order to get the information to decisionmakers very, very quickly. We need that capability, as do other Members in the House.

So with that, I yield, I guess, to Ms. Harman.

[The statement of Mr. Hoekstra follows:]

Peter Hoekstra, Michigan, CHAIRMAN

Ray LaHood, Illinois, VICE CHAIRMAN
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Terry Everett, Alabama
Elton Gallegly, California
Heather Wilson, New Mexico
Jo Ann Davis, Virginia
Mac Thornberry, Texas
...n M. McHugh, New York
...d Tiahrt, Kansas
...ke Rogers, Michigan
Rick Renzi, Arizona

Jane Harman, California, RANKING MEMBER

Alcee L. Hastings, Florida
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Robert E. (Bud) Cramer, Jr., Alabama
Anna G. Eshoo, California
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C. A. Dutch Ruppersberger, Maryland
John F. Tierney, Massachusetts

J. Dennis Hastert, SPEAKER OF THE HOUSE
Nancy Pelosi, DEMOCRATIC LEADER

U.S. HOUSE OF REPRESENTATIVES
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

H-405, THE CAPITOL
WASHINGTON, DC 20515
(202) 225-4121

Michael Meermans, STAFF DIRECTOR

OPENING STATEMENT FOR CHAIRMAN HOEKSTRA

Mr. Chairman, thank you for the opportunity to discuss the budget submission for the Permanent Select Committee on Intelligence.

Mr. Chairman, as you know, the intelligence functions of the United States are, for good or bad, at the forefront of daily consciousness. For the good, our intelligence functions truly form the "tip of the spear" for our nation's security - and the Congress must ensure that our intelligence capabilities remain strong and capable for the near and long-term. For the bad, we are constantly bombarded with reports of intelligence abuses as our nation prosecutes the war on terror - in this respect, the Congres is responsible for ensuring our intelligence capabilities are properly in check. Both ends of this continuum require us to aggressively oversee our nation's intelligence activities. Further, based partly on the 9/11 Commission's recommendations, we have a major new oversight challenge to monitor and help implement the sweeping changes to the Intelligence Community enacted in the recent intelligence reform legislation. These increased responsibilities are forcing the Intelligence Committee to work harder than ever to ensure the Intelligence Community is performing effectively and has the resources and capabilities to carry out its critical mission.

Working harder is just part of our challenge for the 109th Congress - because the work load is dramatically increasing, we will have to work better. The reform bill, for example, is just the beginning of a collective national effort to improve our intelligence capabilities. This legislation brings us new responsibilities to oversee the domestic intelligence collection efforts that the Director of National Intelligence is mandated to coordinate. At the same time, and as I mentioned at the outset, we on the Committee must work to improve the day-to-day oversight of the performance and activities of the Intelligence Community. Indeed, many of the outside studies, including that of the 9/11 Commission, which led to last year's reform legislation included recommendations for improving intelligence oversight, stating that such improvements are an equally critical

component of intelligence reform. In response, and with the support of the Speaker, for the first time, we have created both a dedicated Oversight Subcommittee and, a first for the Committee, a strategic communications function.

Mr. Chairman, I appreciate the strong support that the Committee on House Administration has provided our Committee in the past. I am now put in the position of asking the Committee for even more such help as the significantly increased responsibilities I've outlined require commensurate resources. Mr. Chairman, we have provided you a detailed oversight plan and associated budget request, so I will not restate the specific numbers contained in them here today. I will say, however, that the Ranking Member and I have carefully considered the Committee's staff and support needs - particularly with respect to the functions of the new Oversight Subcommittee and strategic communications function. As I have discussed with the Speaker, we are requesting nine new staff slots for the Committee, 6 majority and 3 minority, as well as additional support funding to properly carry out these duties. I ask for your support in providing the resources for these needed positions and functions.

Finally, Mr. Chairman, as you know, late in this Congress the Intelligence Committee will be moving to the Capitol Visitor's Center. At your suggestion, we have provided the estimated costs for that move as an addendum to our budget submission. We look forward to creating a state of the art secure facility that will be available not only for the classified work needs of the Intelligence Committee, but also for those of other House Committees. We will continue to work closely with you and the Administration Committee on the issues associated with this relocation.

Mr. Chairman, thank you for your time. I look forward to any questions.

The CHAIRMAN. The gentlewoman from California, Ms. Harman and the Ranking Member. Thank you.

STATEMENT OF HON. JANE HARMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Ms. HARMAN. Thank you, Mr. Chairman. I appreciate the opportunity to appear on a bipartisan basis to talk about our budget. I want to commend you first for your bipartisanship. You are flanked by two very capable California women, as it should be. And I would like to congratulate our colleague Juanita Millender-McDonald for now being the Ranking Member of this committee.

You should know, and Chairman Hoekstra should know, that in California the Democratic part of our delegation, 33 Members, are majority female, and our two Senators are female, and I would call that a good start.

At any rate, onto this subject. I agree with the Chairman that a critical activity which we have to undertake is the implementation of the intelligence reform legislation. It was an enormous victory last year, I think, to come up with bipartisan, bicameral legislation to implement the recommendations of the 9/11 Commission. That was half the battle. Now we have to make it work.

And we have been invited to work with the new team of Ambassador Negroponte and General Mike Hayden, and we plan to do that to make sure that they succeed. And we need staff, and hopefully within a year or so better space in which to do that work.

We also have other important work in our new Subcommittee on Oversight, and that relates to activities of the Intelligence Community, which are written up all the time in the newspapers. The newspaper articles are not accurate, and there are obviously limitations on what we can say publicly about those activities. But it is absolutely critical that our Members be fully and completely informed about those activities.

So with increased staff, some of it dedicated to this Subcommittee on Oversight, we will learn what we need to learn, and our Members, who are extremely hard-working, patriotic Americans, will do the oversight that Congress absolutely must do on these critical issues.

I just want to highlight a couple other things. First of all, our deal is that we will share some nonpartisan positions. I support that deal. There are security roles in the Intelligence Committee that have to be filled by qualified people, and we want those people to be nonpartisan. Splitting their costs two-thirds/one-third is the right thing to do.

I, in fact, think we need more of them, because I think the security concerns are very serious, with the material coming across our Internet, even on our classified sites, include some of our Nation's most carefully held secrets. And I want to be sure we do everything we can to protect it on this end. I know the administration is focusing on protecting it on their end.

So I would hope we would agree about hiring at least one more person, and we are talking to the Sergeant-at-Arms about what the qualifications of that person could be, and maybe even some suggestions of who that person could be.

Because we were so busy with the intelligence reform effort, we were not able to fill vacancies last fall that came to exist then as staff got promotions and burned out and so forth, and that leaves a lot of slots to fill. On the Minority side we are filling those slots rapidly with a very qualified and diverse workforce, and we will continue to fill them.

The only problem now that we will have, which I guess is a good problem, is no space to put the people in. Maybe we will have double-deck desks or something like that. I only wish we would have Aeron chairs.

In conclusion, I would like to say that Peter and I were elected together in 1992. We talk together regularly. We are trying to restore the bipartisan tradition of the committee, which suffered a bit in some recent years.

But he did not consult me, I want this absolutely on the record, about his new facial hair, and I want to say for the record that I am quite disturbed about it.

Thank you, Mr. Chairman.

[The statement of Ms. Harman follows:]

Peter Hoekstra, Michigan, CHAIRMAN

Ray LaHood, Illinois, VICE CHAIRMAN
Randy "Duke" Cunningham, California
Terry Everett, Alabama
Elton Gallegly, California
Heather Wilson, New Mexico
Jo Ann Davis, Virginia
Mac Thornberry, Texas
n M. McHugh, New York
d Tiahrt, Kansas
ke Rogers, Michigan
Rick Renzi, Arizona

Jane Harman, California, RANKING MEMBER

Alcee L. Hastings, Florida
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Michael Meermans, STAFF DIRECTOR

Congresswoman Harman's statement
before the House Administration Committee
March 16, 2005

Thank you, Mr. Chairman.

I want to make three points in my opening statement.

Chairman Hoekstra and I are restoring the bipartisan tradition of the House Intelligence Committee and the Committee's budget is one area in which we have worked collaboratively. The minority was consulted as this budget was developed. I am satisfied with our involvement in the process and with the budget request.

Second, the work of the House Intelligence Committee is uniquely sensitive. The information Members and staff deal with on a day-to-day basis is highly classified and must be protected. Rather than hiring security and information systems staffers specifically for the minority side, I support the concept of the majority and minority sharing these resources. These positions must be non-partisan.

Currently, those shared positions are filled by staffers who have been with the Committee for some time – in some cases, years. The Chairman and I have an agreement that, should there be any changes to current personnel, I will be consulted about proposed hires.

Finally, I support the Committee's request for an additional nine staffers, three of which will support the Democratic members of the Committee and will be hired by the Ranking Member. Simply said, we need more staff. Efforts to pass an intelligence reform bill last fall slowed our ability to replace departing staff. On the Democratic side, we are rapidly filling

vacated slots. The Intelligence Committee now plays a central role in the war on terrorism and in oversight of such sensitive issues as interrogations and renditions. It is critical that we plus up staff beyond what we have been allocated in the past.

Thank you, Mr. Chairman. I look forward to answering any questions you may have.

The CHAIRMAN. Thank you. I don't know what to say on that, but I am glad Mr. Rangel is here, because I am California outnumbered, and New York is a little closer to Ohio, so I at least feel a little more strength in numbers. My relatives are in Fontana, an aunt and uncle, so I have a lot of California pressure. That is not all that bad.

I have no questions. I think you do an important job, your function for the Congress, and with that I yield to the gentlewoman from California.

Ms. MILLENDER-MCDONALD. Mr. Chairman, don't cry out loud, all these California women.

The two of you, I think, are working very cooperatively, and I have really no questions to ask, but just to say that your intelligence reform bill will be the impetus by which you work very closely with the Director of Intelligence, and that is a good thing.

So it is great to have both of you here, and thank you both so much.

The CHAIRMAN. Our other gentlewoman from California.

Ms. LOFGREN. I would just note that we have been looking at the franking budgets in each committee, and although there is a huge increase, it is such a tiny amount of money that—I don't want to raise the issue. But we do want to be consistent noting that it is only a large increase because there was so little spent to begin with.

The CHAIRMAN. I thank both of you for being here.

The gentleman from New York, Mr. Rangel, is here. Mr. Thomas has already delivered his message, and we will entertain Mr. Rangel, who I just wanted to note that my wife and I had the pleasure of being with Mr. Rangel and his wonderful wife to represent the United States at the 60th Anniversary of D-Day with other Members of Congress.

It was a wonderful event and a special time to be there, especially with the service Mr. Rangel has given to the United States not only in his congressional position, but service as a veteran. Thank you, Mr. Rangel.

STATEMENT OF HON. CHARLES B. RANGEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. RANGEL. Thank you, Mr. Chairman. It was a memorable occasion, and I want to congratulate you for the great bipartisan work that you have been doing as Chair, and, of course, to congratulate my friend and colleague from California in this position. I am certain in working with Mr. Ney that we can really bring a sense of bipartisanship, which is so missing in the Congress.

I come here, and I am sorry I am late, to support the request of the Ways and Means Committee of 10.4 percent. This money will be used for modest staff increases, but also to upgrade the technology that we have in our hearing room and our ability to communicate with other Members of Congress.

We also, and Mr. Thomas has consulted with me, have agreed on two additional staff people that would be shared by the Democrats and Republicans. I think this would go a long way when professionals can look at the facts and not the parties to try to bring us

together on the sensitive legislation that comes before our committee.

So I want to thank you. I hope you give serious consideration to our request. And if there are any questions, I will attempt to answer them at this time.

Again, I am so sorry that my responsibilities on the floor prevented me from being here with the Chairman, but I am glad that I am able to share my views with you now.

The CHAIRMAN. No problem. It fits in the schedule quite perfectly. We appreciate your testimony.

[The statement of Mr. Rangel follows:]

Statement for Charles B. Rangel, Ranking Member
Committee on Ways and Means
Before the Committee on House Administration
March 16, 2005

We fully support the Ways and Means Committee budget request. It was approved by our Committee by unanimous consent on February 2, 2005. We were consulted as this budget was being developed and had an opportunity for input.

The Ways and Means request represents a straightforward increase of 10.4 percent for the 109th Congress. Our needs are similar to those of other Committees that have testified before you. Most of our funding is dedicated to salaries for Committee staff, and our budget request provides for modest increases in salaries in the range of 6 to 7 percent.

This year, we also believe it is necessary to spend more in the area of web streaming technology. We look forward to making use of the new technology recently installed in the Committee hearing room in our effort to better present information to a national audience.

Additionally, we support Chairman Thomas' request for two additional staff slots for the minority. If the slots are granted, the "shared staff" level would be reduced from four to zero. This would make funding and staffing for the Democrats a clean 1/3 – 2/3 split.

I am pleased to report that the Democrats continue to have full control over our share of the Committee's budget. We only wish we could enjoy a little control when it comes to the agenda.

The CHAIRMAN. Any questions?

Ms. MILLENDER-MCDONALD. Thank you so much, Mr. Ranking Member. I look forward to working with you. Your Chairman has indicated that you work very well with him, and on the two-thirds/one-third, you are in control of your staff selection, so that is a good thing. We are very glad you came because I was wondering where my friend was.

Thank you so much.

Mr. RANGEL. Thank you.

Ms. LOFGREN. Mr. Chairman, I think this is so easy, and it is so interesting that a committee that is so contentious on the policy issues can be so agreeable when it comes to the paper clips and other materials. That inspires us to have hope.

Mr. RANGEL. Well, I was really hoping that by having more professional staff that are not hired because they are Republican or because they are Democrats, that in having only to be concerned about what is best for America, perhaps we could enlarge on that number to form a bridge where the party leadership does not dictate the substance of what is best for America. And if you can find a whole bunch of Social Security experts, we need them now more than ever.

The CHAIRMAN. I thank the gentleman from New York.

Mr. RANGEL. I thank the committee.

The CHAIRMAN. Next we have the Resources Committee.

I want to thank Chairman Pombo for being here today, and the Ranking Member Mr. Rahall, my neighbor, from my first birth State; not my home State, but my birth State.

With that, we welcome Mr. Pombo.

STATEMENT OF HON. RICHARD W. POMBO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. POMBO. Thank you, Chairman Ney, Ranking Member Millender-McDonald and members of the committee. Thank you for this opportunity to testify on the budget submission of the Committee on Resources.

The Resources Committee Ranking Member Nick Rahall is also here, and I am pleased to report that he has cosponsored our committee funding request again this Congress.

During the 108th Congress, Nick and I enjoyed a very open and amiable working relationship. He has been both a friend and a worthy adversary, and I look forward to working with him in this Congress as well.

Please note that while we both have unrivaled accomplishments in the 108th Congress and lofty goals for the 109th, our requested financial increase is, comparatively speaking, unquestionably modest. The citizens of the United States got more for their tax dollars from the Resources Committee in the 108th Congress than from any other committee in the House. Our panel and its subcommittees held 174 legislative hearings and marked up 237 bills, 107 of which garnered the President's signature to become Public Law.

In addition, we held nearly 50 official field hearings in communities across the country that were most affected by policies under the Resource Committee's jurisdiction. Collectively these statistics alone illustrate the fact that we are the most active and productive

committee in the Congress, especially given our massive jurisdiction over roughly 2.2 billion acres' worth of national parks, forests, refuges, and public lands, including the outer continental shelf. No other committee in Congress has compiled as impressive a record.

The issues under our vast umbrella of jurisdiction affect millions of Americans as well as those individuals residing in the territories of the United States. As you know, some of the issues include onshore and offshore oil, energy and mineral development, wetlands and wildlife management, the Endangered Species Act, Federal dams and hydropower generation, crop irrigation, the preparation of environmental impact statements under NEPA, Native American affairs, and all parks, forests, and public land management regulation.

Mr. Rahall and I have prepared a comprehensive action plan for the 109th Congress. It will include an array of oversight hearings both here in Washington and in the field to enable concerned citizens to participate in the legislative process again in the 109th Congress.

The field hearings in particular have proven to be invaluable to committee members and staff by enabling us to gather input from individuals whose lives and livelihoods are most affected by environmental-related legislation and regulations. As such, we are absolutely committed to continuing those efforts, and especially in rural parts of the country which have been underrepresented in Congress.

Our requested budget increase is geared to staff. First, this increase will help us retain the most hard-working and experienced staff by providing funds for merit raises and a realistic cost of living adjustment. Second, they will enable us to hire three new staff members. The Speaker's staff ceiling for the committee is currently 69 slots; 21 of the 69 slots are currently staffed by individuals who perform administrative or nonlegislative functions. Unfortunately, the committee has reached the staff ceiling many times during the past 8 years. As such, we request the committee's current staff allotment be increased to 72, or three new staff positions in 2005, 2006. To ensure fairness in the process, the committee Majority would acquire two staff positions, and the Minority would acquire one.

In conclusion, let us reiterate that our proposed budget is both responsible given the current budget climate and conservative in light of the committee's vast responsibilities. While we recognize that every dollar we spend comes from taxpayers' pockets, we are certain that this budget accurately represents our minimum requirement.

I want to thank you, and I will be able to answer any questions the committee may have.

The CHAIRMAN. I want to thank the Chairman and Ranking Member.

[The statement of Mr. Pombo follows:]

STATEMENT BEFORE
THE COMMITTEE ON HOUSE ADMINISTRATION
CHAIRMAN RICHARD W. POMBO
COMMITTEE ON RESOURCES

Chairman Ney, Ranking Member Millender-McDonald and Members of the Committee, thank you for this opportunity to testify on the budget submission for the Committee on Resources.

The Resources Committee's Ranking Member, Nick Rahall, is also here and I am pleased to report that he has cosponsored our Committee funding resolution again this Congress. During the 108th Congress, Nick and I enjoyed a very open and amiable working relationship. He has been both a friend and a worthy adversary, and I look forward to working with him in this Congress as well.

Please note that while we boast of unrivaled accomplishments in the 108th Congress and lofty goals for the 109th, our requested financial increase is, comparatively speaking, unquestionably modest.

The citizens of the United States got more for their tax dollars from the Resources Committee in the 108th Congress than from any other committee in the House. Our panel and its subcommittees held 174 legislative hearings and marked up 237 bills, 107 of which garnered the President's signature to become Public Law. In addition, we held nearly fifty official field hearings in communities across the country that were most affected by policies under the Resources Committee's jurisdiction.

Collectively, these statistics alone illustrate the fact that we are the most active and productive Committee in the Congress, especially given our massive jurisdiction over roughly 2.2 billion million acres-worth of National Parks, Forests, Refuges, and Public Lands (including the Outer Continental Shelf). No other committee in Congress has compiled as impressive a record.

The issues under our vast umbrella of jurisdiction affect millions of Americans, as well as those individuals residing in the territories of the United States. As you know, some of the issues include on-shore and off-shore oil energy and minerals development; wetlands and wildlife management; the Endangered Species Act; federal dams and hydropower

generation; crop irrigation; the preparation of environmental impact statements under NEPA; Native American affairs, including Indian gaming; and all parks, forests, and public lands management regulation.

Mr. Rahall and I have prepared a comprehensive action plan for the 109th Congress. It will include an array of oversight hearings, both here in Washington and in the field, to enable concerned citizens to participate in the legislative process again in the 109th Congress. The field hearings in particular have proven to be invaluable to Committee Members and staff, by enabling us to gather input from individuals whose lives and livelihoods are most affected by environmental-related legislation and regulations. As such, we are absolutely committed to continuing these efforts, especially in rural parts of our country which have been underrepresented in the Congress.

Our requested budget increase is geared to staff. First, this increase will help us retain the most hard-working and experienced staff by providing funds for merit raises and realistic cost of living adjustments. Second, they will enable us to hire 3 new staff members.

The Speaker's staff ceiling for the Committee is currently 69 slots. Twenty-one of the 69 slots are currently staffed by individuals who perform administrative and/or non-legislative functions. Unfortunately, the Committee has reached the staff ceiling many times during the past 8 years. As such, we request the Committee's current staff allotment be increased to 72 (or 3 new staff positions) in 2005 and 2006. To ensure fairness in the process, the Committee majority would acquire two staff positions, and the minority would acquire one.

In conclusion, let us reiterate that our proposed budget is both responsible given the current budget climate and conservative in light of the committee's vast responsibilities. While we recognize that every dollar we spend comes from the taxpayers' pockets, we are certain that this budget accurately represents our minimum requirements.

Thanks you. I will be happy to answer any questions the committee may have.

The CHAIRMAN. Mr. Rahall.

STATEMENT OF HON. NICK RAHALL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WEST VIRGINIA

Mr. RAHALL. Thank you, Mr. Chairman. I want to first thank you and the members of the committee that are present, Ms. Millender-McDonald, the Ranking Member, and Ms. Lofgren, for your help to me on a number of occasions, especially when it comes to our coal miners in southern West Virginia. And I thank you, Mr. Ney, Mr. Chairman, for your help, your valiant help, on behalf of our coal miners. You have been a true friend to us, and we appreciate it.

I do appreciate the remarks of my Chairman Mr. Pombo and associate myself with those comments he has just made, especially about me. The comments are mutual. I do respect the Chairman and have found that our working relationship has been one that has been very professional and very upfront with one another, and he has been fair to the Minority. And where we disagree, we know it up front, and we respectfully disagree with each other.

The budget that he and I are presenting this afternoon reflects the traditional approach the Resources Committee has taken. Chairman Pombo has treated the Minority with much respect and fairness, and I appreciate his leadership, as I have said. For instance, while the committee currently has 69 staff slots, 9 of those are deemed to be nonpartisan, shared employees. As such, the actual split is 40/20 between the Republican and Democratic staff, with one-third of the slots and salary controlled by myself as the Ranking Member. And in this regard, I share in Chairman Pombo's request for an increase of three staff positions.

While the Resources Committee has been viewed as a more minor committee in comparison to a committee like Ways and Means or Transportation and Infrastructure, as the Chairman has demonstrated and has stated, we produce an incredible amount of legislation. The taxpayers do get their bang for their buck. In the last Congress alone, for example, the Resources Committee reported and the House passed 56 bills sponsored by Democrats. That is, sponsored by Democrats.

As to the rest of the budget, our committee does not operate as if there are Republican or Democrat copiers or computers. If a piece of equipment reaches the end of its ability to function properly, it is replaced whether it is in the Minority office or the Majority office.

There is one aspect of our budget, however, which did cause some consternation among certain Democratic Members last Congress. I am referring to the franking allocation of the Resources Committee, which was the highest among all House committees. The same amount, $50,000 per session, is again contained in the proposed budget.

When our budget was submitted to you on February 15, 2005, I included a letter stating at that time that I was neutral on the franking request, as Chairman Pombo and I had not yet had the opportunity to discuss the matter. Since then, we have talked about it, Mr. Chairman, and we have come to an understanding that no mass frank mailings will be undertaken without consultation between Chairman Pombo and the full Franking Commission.

He has also taken the unprecedented move of agreeing to give the Minority control of one-third of the approved franking budget. He is a man of his word, and with that agreement I stand side by side with Chairman Pombo in asking you to support this budget. Thank you, Mr. Chairman.

[The statement of Mr. Rahall follows:]

Remarks of Rep. Nick Rahall, Resources Committee Ranking Member
before the Committee on House Administration
Committee Budget Requests
March 16, 2005

Chairman Ney, Ranking Member Millender-McDonald, the budget Chairman Pombo and myself are presenting this morning reflects the traditional approach the Resources Committee has taken. Chairman Pombo has treated the minority with much respect and fairness, and I appreciate the leadership this Chairman has shown.

For instance, while the committee currently has 69 staff slots, nine of those are deemed to be non-partisan shared employees. As such, the actual split is 40-20 between the Republican and Democratic staff with one-third of the slots and salary controlled by myself as the Ranking Member.

In this regard, I share in Chairman Pombo's request for an increase of three staff positions. While the Resources Committee has been viewed as a more minor committee compared to Ways and Means or Transportation and Infrastructure, we produce an incredible amount of legislation. In this regard, I am pleased to report that last Congress alone, the Resources Committee reported and the House passed 56 bills sponsored by Democrats.

As to the rest of the budget, our committee does not operate as if there are Republican or Democrat copiers or computers. If a piece of equipment reaches the end of its ability to function properly, it is replaced whether located in the offices of the Majority or Minority.

There is one aspect of our budget, however, which caused some consternation among certain Democratic Members last Congress. The franking allocation for the Resources Committee last Congress was the highest among all House committees. The same amount, $50,000 per session, is again contained in the proposed budget. When our budget was submitted to you on February 15th, I included a letter stating that at that time I was neutral on the franking request as Chairman Pombo and I had not yet had the opportunity to discuss the matter. Since then we have, and have come to an understanding that no mass franked mailings will be undertaken without consultation between Chairman Pombo and the full Franking commission. He has also taken the unprecedented move in agreeing to give the minority control of one-third of the approved franking budget. He is a man of his word, and with that agreement, I stand side-by-side with the Chairman in asking you to support this budget.

Thank you.

The CHAIRMAN. I thank both gentlemen.

Questions?

Ms. MILLENDER-MCDONALD. Mr. Chairman, thank you so much. And I thank the two of you for coming before us. Certainly Mr. Rahall has answered the obligatory question that I have been raising over the last couple of days as we have had the chairmen and Ranking Members coming before us, and that is the two-third/one-third formula that has really been the—it was the brainchild of Mr. Bill Thomas, who was—just preceded you guys. And he wanted to reiterate that he wants to make sure that all committees are still carrying out that type of formula. And so I thank you so much.

Mr. Rahall, sir, you are very much satisfied with what has taken place in terms of the budget? You have been informed by the Chairman as to what he has outlined in terms of the budget? You are aware the Chairman is asking for another $50,000 per session for franking mail?

Mr. RAHALL. Yes, ma'am.

Ms. MILLENDER-MCDONALD. And have you been totally involved with the franking mail and informed of that franking mail?

Mr. RAHALL. Yes, ma'am, I have. And we have reached an agreement, as I said, future mass mailings would be sent out in consultation with the Franking Commission and the Chairman.

Ms. MILLENDER-MCDONALD. And while we recognize that chairmen do not necessarily have to go before the Franking as it is outlined in present form, sometimes it is not so much the letter of the law, but it is the spirit of the law that we have to always, as Members of Congress, as elected officials, be able to ensure that the public sees that, not only the letter, but the spirit of the law.

And, Mr. Chairman, you did speak about an aggressive mailing that you have undertaken over the last Congress, and anticipate, I suppose, am I correct, in undertaking this same type of aggressive mailing in this Congress?

Mr. POMBO. Absolutely. One of the—when I initially testified when I took over this committee, I had asked for an increased franking budget. One of the issues facing this committee is that the millions of people who are impacted by this committee for the most part are in rural America. And having the opportunity to reach out and communicate with those people is extremely important not only to me, but to the Ranking Member of this committee. I believe that is extremely important that we do that.

In regard to following the letter of the law and the spirit of the law, this committee followed the letter of the law, the spirit of the law, every law, rule, regulation. We consulted with the Franking Commission on everything that we sent out even though we were not required to do that. We have stayed within the law on everything that we have put out. What Mr. Rahall and I—the agreement we have is that the Minority would have one-third of the budget on franked mail to use to issue franked mail.

But having said that, and Nick can back me up on this, almost half of the franked mail that went out in the previous Congress went into Minority Members' districts. It went into districts of members of the committee. But it went into Joe Baca's district, Dennis Cardoza's district. It was members of the committee who

represent the Minority, and it went into their districts even before we had this agreement on one-third of the budget.

Ms. MILLENDER-MCDONALD. Well, you know, Mr. Pombo, of course you recognize those violations that have been outlined that you were in violation of.

Mr. POMBO. Excuse me. There were no violations that I am aware of. There were concerns that were raised by outside groups. There were things that came up before the committee. But as far as I know, there were no violations.

Ms. MILLENDER-MCDONALD. Well, perhaps it was not as outlined in the election year mailing restrictions, but is it not true that, even if your position as Chairman, when you are doing mass mailings prior to hearings, as you have outlined this is what your whole mass mailing was all about, that it should be restricted to just those areas that you are going to have a hearing and not necessarily to battleground States that were part and parcel of the upcoming Presidential election?

Mr. POMBO. The purpose of franked mail is to communicate with constituents. That is what we were doing. It was—I believe the particular mail that you are talking about went into the four States that have the greatest impact on the snowmobile issue. That mail did go out. It went into four States in which there were in excess of 80,000 jobs directly related to the snowmobile industry. It is an issue that this committee has undertaken over the past several years, it is something that this committee has been extremely involved in, and it is an issue that other committees have tried to dip their fingers into when it is under the jurisdiction of this committee.

Ms. MILLENDER-MCDONALD. And you have said that it went into Minority communities.

Mr. POMBO. Minority districts.

Ms. MILLENDER-MCDONALD. Minority communities that have snowmobiles?

Mr. POMBO. Minority districts. And the snowmobile issue went into the four States that are in the center of that particular issue on the ban of snowmobile access on public lands. It would not have made any sense to go into Los Angeles on snowmobiles or Florida on snowmobiles. You have to go into places like Minnesota, Montana, Wyoming, and Idaho.

Ms. MILLENDER-MCDONALD. Mr. Pombo, you are—and recognize that these are taxpayers' dollars that you do spend, irrespective of your ability and autonomy to use and to be even under the 90-day cutoff, it is still taxpayers' dollars, as you have outlined in your statement, and it is coming out of their pockets. And there are some people who were very outraged with getting mail from your committee in areas that they felt was not endemic to snowmobiles.

Mr. POMBO. And there were a number of people that were very happy that our committee was very involved with that issue.

Ms. MILLENDER-MCDONALD. But can we be assured that in your coming year when you have this aggressive mass mailing, that you are going to try to stick within the constructs of this mailing going to—and prior to hearings, that will go into those areas of hearings and not just all over the place?

The CHAIRMAN. Will the gentlelady yield?

Ms. MILLENDER-MCDONALD. Yes.

The CHAIRMAN. I feel I need to clarify something. He did follow that. Let me just read this for a second.

Criteria for committee franked mail. Must relate strictly to committee business. Committees have no geographical boundaries. These are the current rules of the Franking Commission.

Committees are not required to submit mass mailings for approval. There is not even a spirit of this. They are not required. Since 1991, under the Democratic control and under Republican control since 1994, the precedent has been to require all mass mailings be submitted for approval by Members only and not committees or leadership.

But the point I wanted to make is House Administration has to decide, and willing to talk about these changes in current procedures. But to ask him today to say, yes, I will abide by not mailing out, but the rest of all Chairs can do that, it is just not the franking rules.

Now, if we don't like them, we can do something, but right now we are awaiting word of the appointment by the Minority on this committee of the Franking members, and we have sent that, and we are awaiting your appointments so that we can deal with any issues if anybody would allege something on the mailers. And we have past precedent on these mailers from subcommittee Chairs, and the one I am thinking about years ago before I was here that I was alerted to was a Democrat and was dismissed unanimously.

But the thing I have to point out is whether you like the mail or you don't like the mail, or the content or not the content, he followed the rules of the House, because he can mail outside. Now, if he today wants to answer the question—and you can answer the question—any way he wants, or you won't mail outside an area or another State, but according to the format we follow, he can mail anywhere he wants.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I am not suggesting—just a minute, Ms. Lofgren.

Mr. Chairman, I am not suggesting that he cannot mail even outside of his State of California, or the gentleman from West Virginia. What I am suggesting here, first of all, we have been about the business of trying to be fair and equitable in this whole process. And Members, chairmen, have come before us saying that they will not go beyond this realm that has either been outlined through franking or, in his—as far as the Chairman is saying, that you do not have any restrictions, you do not have any restrictions on your mailing. But they have said that to ensure that we have a type of fair and equitable process that they would not do this.

And I am asking you, would you do this? I understand that you do not have to be restricted to the State of California if you are going to have hearings in other States. But these seem to have been targeted to battleground States where we had a lot of—where there were really Presidential concerns there. And so my question is whether or not you will at least be fair and equitable in terms of, first of all, your Ranking Member having the autonomy to send mass mailers to wherever he wants to send them.

Mr. POMBO. I am not exactly sure what question you are asking me. We followed all rules, all laws, rules, regulations. Bringing up

that we mailed into a battleground State, I don't remember exactly what happened, but Montana, Wyoming, Idaho I don't believe were battleground States, and I don't believe that Minnesota ended up being a battleground State. I am not exactly sure what you are asking me to commit to.

I will commit to you that I will follow all laws, rules, and regulations dealing with franking. And I can assure you that Mr. Rahall will do the same thing with his part of the budget. I am not—you are insinuating that there were some laws or rules or regulations that were broken by this committee in regards to franking, and if there is a specific law or rule that we broke, I would appreciate you letting me know what that is.

Ms. MILLENDER-MCDONALD. Mr. Pombo, I think you are aware of headlines that I am now reading where there has been many questions about your mailing and your mass mailing last year, and that those mass mailings went to targeted battleground States where Presidential elections were really at stake. And so my question to you is whether or not you did—you were within the construct of the law, whether you are going to be a little more—or careful in your mailing, and that that mailing be targeted only to those areas where you are going to have hearings and not outside of States where you are not going to have hearings.

Mr. POMBO. Ma'am, franked mail is not about just doing hearings. It is about communicating with constituents on issues that are before the committee. That has nothing to do with the State of California or the State of West Virginia.

Ms. MILLENDER-MCDONALD. And I made that very clear that I was not talking about just the State of California or West Virginia.

Mr. POMBO. But it is not just about informing people about when we are going to have a field hearing. It is about communicating on issues that are before the committee. And that is what we did, and that is what I expect Mr. Rahall to do.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I really do think—I think we need to look at this issue again, because if other chairmen are going to come before us and they are going to cite that they will stay within a certain parameter of mass mailings——

The CHAIRMAN. Would the gentlelady yield?

Ms. MILLENDER-MCDONALD. Yes.

The CHAIRMAN. I would be willing to bet the mortgage of my house—I have been in the same hearings with you in 2 days, nowhere was the question asked, in my recollection, of any Ranking Member: Will you not mail outside an area? Now, it was asked, will you mail for hearings, but I don't recall ever that that was ever asked or answered.

Ms. MILLENDER-MCDONALD. I thought I did ask that question, sir, many times.

The CHAIRMAN. I don't believe. But we can——

Ms. MILLENDER-MCDONALD. We can check the transcripts on that. But can we then try to review this? Because I think it is totally unfair that you have a chairman that does one thing, and other chairmen who perhaps want to do this have not been so inclined to do that.

Ms. LOFGREN. Would the gentlelady yield? I think that there is another issue here. It is true—and I think it is a mistake, frankly,

but it is true that committees do not need to submit their mass mailings to the Franking Commission. But that is not the end of the story, because it violates Federal law to use taxpayer funds to campaign, in a political effort. And so the underlying question is was the nature of the mailing really a political mailing.

And you are aware, it is not fun to ask questions, and we share part of Santa Clara County, but certainly you are aware that many questions about the content of those mailers have been raised in the public. And if you read them and then take a look also at your Web page, which also does not have to go before Franking, it is highly political talking about the Presidential campaign. It was sent widely and sent also into congressional races that would be contested between the parties and was so politicized. Whether or not the Franking Commission checked into it is not the concern; the concern is whether the law prohibiting the use of taxpayer funds for a political purpose was adhered to.

I just have a question. Looking at where these mailers were sent, they were sent to two Members. I guess Mr. Renzi and Mr. Pearce are both in your committee. Those were sharply contested races. The two Democratic members, Mr. Baca and Mr. Cardoza, had token opposition.

So I think there are many questions, and I would just like to know. The Franking Commission would protect you from these kinds of questions that are being asked; because if the Franking Commission says, yes, this is not a political mailer, then you know you are on pretty safe ground, that you haven't violated the law about sending out political mailers at taxpayers' expense. Wouldn't you think that would be a good way to proceed next year?

Mr. POMBO. Well, Ms. Lofgren, we did informally check with the Franking Commission before we mailed out any mail just to make sure that we were within the law, and it baffles me somewhat that members of this committee would, instead of actually looking at the mailing that went out, read from what are obviously misinformed press clippings about what actually went out from the committee. An accusation from some political adversary does not necessarily mean that we did anything wrong.

Ms. LOFGREN. Well, I wasn't on the committee last year.

Mr. POMBO. I am just pointing out to you that there is nothing in the mailer that is political. And I would challenge anyone to point out to me—we don't advocate party, we don't ask for a vote. It was totally informational about what went out from my committee, from the Committee on Resources, and it was all within the law.

Now, if someone wants to suggest that franked mail in the future only be about informing constituents of upcoming town hall meetings or hearings, I think that other Members of Congress would be very concerned if that is the direction that this committee wants to go, because I would challenge you that most of the franked mail that comes out of Members of Congress' offices is informational pieces, and is not just telling people about when your next town hall meeting is.

Ms. LOFGREN. Well, but we have limits as Members, you and I both do, when we send out franked mail from our offices. Sometimes I don't like the limits, and sometimes I think they are wrong.

We all have beefs with the Franking Commission, but at least we know that it is not a political mailer or can't be. I guess reasonable people can differ, but a lot of people feel they were political mailers and that the Web site was also. You have got, Kerry, is he flip-flopping? That was picking up from the Presidential campaign. It looks like the use of official resources for a political campaign. I think it is very problematic and that you would save yourself problems of the criticism and protect yourself if we were to go through, even though the law doesn't require it, the Franking Commission to avoid this.

Mr. POMBO. Well, I would again tell you that the committee followed all laws, rules, regulations in regards to franked mail. And any accusations to the contrary are, quite frankly, unfounded.

Ms. MILLENDER-MCDONALD. Reclaiming my time from her.

Mr. Rahall, are you then at liberty—are you going to mail out some—this mass mailing of—to constituents of yours speaking about the Minority Leader Pelosi and what she is doing to further advance the Resources Committee's objectives and goals?

Mr. RAHALL. Well, I appreciate the gentlelady's question. And we have not really set up what our plans are yet, our agenda as far as mass mailings, if any, that we plan on doing from the Minority side this year. But they would, as the Chairman has indicated, be mailings on issues, issue-oriented, and may not necessarily be going to my constituents.

Ms. MILLENDER-MCDONALD. No. Not necessarily going to your constituents. But what I am saying is that given that this mailer that I received has the President's name on it many times, and so, of course, if you are going to do some mass mailers, would you then also be sure to include what your leadership is doing with reference to the Resource Committee's objectives and goals?

Mr. RAHALL. Well, like the Chairman, I would follow every law, rule, regulation. And, yes, I would expect to have items that are of interest to the audience and the issues that are of concern to our leadership.

Ms. MILLENDER-MCDONALD. But, see, there are no laws and no rules and no nothing, so you can just do this carte blanche. And so given that you can do this carte blanche, I am just suggesting to you will you then exercise the right as a Ranking Member to do what the Chairman has done and will be doing in terms of getting this information out to the mass of people who he wants to share the common goals and objectives of this committee? Will you be doing that and be sharing what your——

Mr. RAHALL. Yes, ma'am.

Ms. MILLENDER-MCDONALD. And be sharing what your leader is doing with reference to this?

Mr. RAHALL. Yes, ma'am.

Ms. MILLENDER-MCDONALD. Okay. Fine.

Thank you, Mr. Chairman.

Ms. LOFGREN. Mr. Chairman, I have a few other questions on other subjects. And I was actually very surprised when I read the House newspaper, The Hill, in October and found that the Chairman had decided to close the committee for, I guess, about a month. I want to understand what that was all about since the committee is asking for just shy of a 10 percent increase in its

budget. And I am wondering, what is the vacation policy of the House Committee on Resources? How many days of vacation do the staffers get each year? Was it a full month that the committee was closed down in October? What days were closed down? And did any of the staff not go on vacation when you closed the committee?

Looking at with Web site, I don't know, but it doesn't appear that there were any hearings or markups after September 29, and it doesn't appear there were any press committee releases after October 15. Can you enlighten us on those questions?

Mr. POMBO. I believe, if memory serves me correctly—I would have to go back and look to tell you for sure—that most of the month of October, that the Members—most of the staff of the committee was placed on administrative leave or allowed to go do other activities. Part of that was there were site visits and district issues that staff of the committee were doing. The main purpose of that was that at that point in time, we had completed for the year the congressional work and allowed the staff to do other things. A number of staff chose to do site visits; a number of staff chose to work from home. There were other things that they did. A lot of it involved going to other States and other places around the country outside of Washington, D.C. We did not have—Congress had completed its business at that point. We did not have markups or official hearings within Washington, D.C., during that time period, no.

Ms. LOFGREN. I can't recall if this was in the newspaper article that talked about it, but certainly, because it was just before the Presidential election, concern has been expressed in some circles that potentially some of the individuals who were still on the government's salary, but were off, dispatched to work on campaigns when they were not taking vacation time. And I think this is an opportunity for you to address that.

Mr. POMBO. And I am glad that you asked that question, because I did read some erroneous media reports on that. Any member of the staff who chose to work on a campaign during that time period was required to take vacation time. There was no one who was given government salary to go work on a campaign. Anyone who chose to go work on a campaign during that time period had to use their vacation in order to do it.

Ms. LOFGREN. So you have maintained records. And how much vacation does each staffer get? How many weeks?

Mr. POMBO. I think that is dependent on the number of years that they have been——

Ms. LOFGREN. So you have a schedule that is published and all of that?

Mr. POMBO. It is all part of the committee rules. And it is the same on both sides.

Ms. LOFGREN. I had a question about some specific staff travel and I would like to get an answer. You may not be able to answer today. But I took a look at Mr. Kennedy, the press secretary, and I note that he turned in a bill for $1,042 the day after the election. I don't know where he was traveling, but since there were no press releases issued, I am wondering what was he doing and where did he go?

Mr. POMBO. Mr. Kennedy travels with me quite extensively. And—I probably shouldn't say where, exactly where he was, but I believe during that time period he was with me in California. Well, for the most part we were in California. But he travels with me quite extensively.

Ms. LOFGREN. Well, it is not fair to ask you to know that here, but if we can get that information later, that will be very helpful.

Once questions are asked, you take a look at these more thoroughly. None of us have privacy because it is all the taxpayers' money. Taking a look at some of the other professional staff, I saw Mr. Miller, Mr. Whaley, and Mr. Sampson also submitted vouchers in good-sized chunks for the same time period. And I was wondering, the expenses were nearly $4,000. I wonder about that since the committee staff was supposedly on vacation. Can you enlighten us on that?

Mr. POMBO. I would have to answer that for the record, because those are our professional staff members, and I can't tell you by memory exactly where they were.

Ms. LOFGREN. Okay. That is fair. And I would like to get that later when you have a chance to take a look at it.

I have only one other question, and it is an unusual situation, and it has to do with who is your chief of staff? I note that Mr. Ding is really on your payroll for a very minor, I think the minimum amount that is possible, 300 a month on the MRA. But I think has an important position on the Resources Committee given his salary. And I am not criticizing the salary, I am sure he is a very competent individual, but it looks like he is traveling on your MRA probably, I mean, very frequently, almost every week back to the district. I am wondering, as a member of the Resources Committee, what is his necessity to be back in California on that kind of basis? Not that the staff phone book is accurate, but Ms. Carter is named your chief of staff in the telephone book. So who is the chief of staff, and how does this work? Because——

Mr. POMBO. Jessica Carter is my chief of staff in my personal office. Steve Ding is the staff director of the Resources Committee, and he also does work in my personal office as well, and he travels with me extensively; he has for a number of years. He is probably one of the best staff members on Capitol Hill, and I would stand by him 100 percent.

Ms. LOFGREN. I am not suggesting otherwise. I am just trying to figure out how the money works between your office and the committee. It is not about his competence at all. I look forward to getting the information later that obviously you can't be expected to memorize. I am glad I gave you the opportunity to address these issues that have been out there in the public for so long. And I yield back, Mr. Chairman.

The CHAIRMAN. I want to thank the gentlelady for her comments and kindness today to the Chair. And I want to thank both Members for being here.

Let me just reiterate one thing just to—I hope to clear this up. It is the responsibility of House Administration to deal with the franking issues. I believe the Chair is correct that February 10 we sent the Minority on this committee a proposal about this filing that was done by this group; and if the letter is sent from your

leader to the Speaker, you will have your appointments to franking that we would like to see happen, and then we can have the vote on this. Historically, this vote was done again before with the Democrat subcommittee chair, who had—the question has arisen on that issue of their ability to mail.

In 1991, under Democratic control, this was changed and kept in 1994 under Republican control. But at that time the issue was to focus on the individual Members, because prior to reform there was no individual accountability, no public disclosure, and only postal patron mailings only if you sent to a ZIP code. And the House alone was spending $120 million. The House is now spending between 20 million and 25 million. But the leaders of the House do not go for franking opinions, the Chairs of the committees don't. I know on several occasions Mr. Pombo, his staff has brought franking pieces—because we had this debate on the floor of the House and had brought these over to be looked at, which is voluntary to do.

But, you know, in my opinion—and I believe the record stands of how we operate here in the House, whether someone likes the mailer or they don't like the mailer, and we can go back through the past 25-year history of mailers, but he didn't violate any law, and he followed the current operating procedures we have.

Now, if, in fact—and this is, my question on this issue to both of you. But if, in fact, this committee working together decides to change some of the rules, whether it is to put the leadership under the committee, the committee Chairs, the process, the 90-day blackout, then I guess I would ask both people, if we change the rules, will you follow the new rules we change?

Mr. POMBO. Mr. Chairman, whatever——

The CHAIRMAN. I will answer for both of you. Yes.

Mr. POMBO. Yeah. I mean, whatever rules that you establish for the committee, I am sure Nick and I will follow them.

The CHAIRMAN. I don't want to beat the dead horse, but those were the rules, whether you like the mail or not, and the rules were followed.

Ms. LOFGREN. Mr. Chairman, just an oversight. I think we need to keep the record open so Mr. Pombo's written responses can be officially received by the committee.

The CHAIRMAN. Well, that is not unusual. In fact, standard practice, as the gentlelady knows, and being an attorney, we always keep them open. And no objection to that on the past two hearings as we did the last one.

With that, I want to thank both gentlemen for being here.

Ms. MILLENDER-MCDONALD. I look forward to Mr. Rahall sending some of his mail into my district so I can see it as well.

The CHAIRMAN. Hopefully he will send a little across the border to Ohio in Belmont County, too.

Ms. MILLENDER-MCDONALD. Absolutely. Spread it across the country.

The CHAIRMAN. Thank you very much.

And the next committee up, the last committee, in fact, and we will be done, is Government Reform. And I note both Mr. Waxman and the Chair had a time line, so I appreciate you—okay. I appreciate your coming.

We will start with the Chair, Mr. Davis of Virginia, and then go on to Mr. Waxman.

STATEMENT OF HON. TOM DAVIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA

Mr. DAVIS. Thank you, Chairman Ney, and Ms. Millender-McDonald and Ms. Lofgren. I want to thank you for this opportunity to testify before the Committee on House Administration on the Government Reform Committee's budget proposal.

Let me just note, in the 103rd Congress this committee was three committees; it was the Post Office and Civil Service Committee, it was the old District of Columbia Committee, and it was the Government Operations Committee. It was three committees at that point with a total of 192 staff slots. Today we do the work of those three committees with 118 people. So there has already been a significant reduction. And if you look at our legislative accomplishments over that time, we are putting out more legislation than those three committees combined did in the 103rd with about a little over half as many people.

With now a full term as chairman of the committee under my belt, I propose a budget that reflects the needs of the House's busiest committee with the largest jurisdiction and oversight responsibilities. First, I want to note that this past Congress was the first time in history the Committee on Government Reform's Minority staff received 33 percent of the committee's budget. Henry Waxman, our Ranking Minority Member, and I worked together in reaching this goal, and we look forward to cooperating in this Congress to make our Federal Government more efficient.

The budget proposal we present supports an aggressive agenda for the 109th Congress. Our focus is on stamping out fraud, waste, and mismanagement in the Federal Government, and making necessary reforms to these challenges. In the 108th Congress, in the last Congress, our committee held 340 hearings and markups, 176 in 2003, 164 in 2004. That is dozens more than you will find with any other committee.

But our work has been more about quality than mere quantity. The committee accomplished much on a broad spectrum of areas legislatively. The Pentagon's national security personnel system, the D.C. School Choice Act, the Services Acquisition Reform Act, postal pension reform, a significant portion of the 9/11 Implementation Act originated in our committee.

On the oversight front, we played a lead role in looking into the U.N. oil-for-food program, pay and medical problems facing National Guard and reservists, flu vaccines, drug smuggling at U.S. Borders, drug prevention and treatment programs, the President's faith-based initiative, and oversight of personnel management.

During the 109th Congress our agenda is even more aggressive. Our legislative agenda focuses on computer security, Postal Service reform, driver's license security, identity theft, streamlining the Presidential appointments process, Federal law enforcement pay and classification reform, reorganization of the GSA, and additional acquisition reform.

On the oversight side, the committee focuses on the GAO's high-risk list, management of the Department of Homeland Security,

the battle against narcoterrorism, the FDA's ability to ensure adequate flu vaccine availability and protecting the public from dangerous prescription drugs, the evolving role of the National Guard, the misuse of Federal grant money in the District of Columbia, and many others.

Our continued goal is to see improvements in the efficiency and effectiveness of the Federal Government, to root out waste and mismanagement in government programs, and to protect the rights and interests of American taxpayers.

I am working to make our committee home plate when it comes to accomplishing these goals. With the amount of legislative and oversight hearings in the 108th and this aggressive agenda noted in the 109th, we believe we can accomplish our goals with an 8.8 percent increase from last year's budget. But I would like to give you a brief history on the committee's budget.

In the 104th Congress, the committee acquired two other standing committees, as I noted before, and we have made them subcommittees of the Government Reform Committee.

During the 103rd Congress, the Government Reform staff—well, I went through the combined numbers with you a minute ago, and we are down to almost half of what we were in the 103rd Congress when you look at the combination. When the two standing committees combined with Government Reform, it received 105 employees and a budget of 13.5 million. We cut the committee funding in half.

In the 105th Congress, the committee budget increased to enhance its investigative resources, but those gains have disappeared over the years.

From the 105th Congress to the 108th, the committee has received an average 0.7 percent decrease in funding. So, from the 105th Congress to the 108th, the committee has received a decrease in funding. This average doesn't meet the demands of the cost of inflation over the past three Congresses. Even an 8.8 percent increase to the committee would yield an approximately 1.7 percent increase from the 105th Congress.

I am not here to ask for more money simply for equity's sake. We have specific plans for how we would utilize it. One area is in committee staffing, and in order to accomplish the goals of the 109th Congress, we see a need for three additional, two new employees for the Majority and one for the Minority, that would assist the committee in carrying out its legislative and oversight responsibilities.

Additional committee funding will help us pay for the increase in transit benefits that are now available to all employees. In the past, funds have been transferred from other lines of operation to meet those needs.

We would also like the ability to hire consultants in specialized areas to give us expertise in the areas of technology, acquisition, and health policy as part of our efforts to locate fraud, waste, and abuse.

The committee acquired much of its equipment during the 107th Congress. We would like to update our equipment and technology to keep our software current. And it is our goal to upgrade work stations every 3 years to keep pace with technology.

We have also requested an increase for the hiring of outside Webcasting and vendors for Web site development. Extensive use of travel for our investigations and field hearings, the result of our wide jurisdiction and commitment to oversight, is also a necessity for our committee. This is in order to get a true perspective on investigations and oversight, and not to be limited to an inside-the-Beltway insight from our hearing witnesses.

With this proposal we believe we can meet the needs of the committee's legislative and oversight agenda, and at the same time reach our goals in stamping out waste, fraud, and abuse.

Once again, I thank you for this opportunity to testify before the committee, and we look forward to working with you in this Congress.

[The statement of Mr. Davis follows:]

Statement of the Honorable Tom Davis

Chairman, Committee on Government Reform

before the

Committee on House Administration

March 16, 2005

Chairman Ney, Ranking Member Millender-McDonald, and Members of the Committee, I thank you for this opportunity to testify before the Committee on House Administration on the Government Reform Committee's budget proposal. With one full term as Chairman of the Government Reform Committee under my belt, I have proposed a budget that reflects the needs of the House's busiest committee with the largest jurisdiction.

First, I am pleased to note that this past Congress was the first time in history the Committee on Government Reform's minority staff received 33% of the Committee's budget. Henry Waxman, our Ranking Minority Member, and I have worked together in reaching this goal and we both look forward to cooperating this Congress to make our federal government more efficient.

The budget proposal we present supports an aggressive agenda for the 109th Congress. Our focus is on stamping out fraud, waste and mismanagement in the federal government and making the necessary reforms to meet these challenges. In the 108th Congress, the Committee held a total of 340 hearings and markups – 176 in 2003, and 164 in 2004, which are dozens more each year than any other committee.

But I would submit that our work has been much more about quality than quantity. The Committee accomplished much across a broad spectrum of areas. Legislatively, the Pentagon's National Security Personnel System, the D.C. School Choice Act, the Services Acquisition Reform Act (SARA), Postal Pension Reform and a significant portion of the 9-11 Implementation act originated in the Government Reform Committee. On the oversight front, we played a leading role in looking into the U.N. Oil for Food program, pay and medical problems facing National Guard and Reservists, flu vaccines, drug smuggling at U.S. borders, drug prevention and treatment programs, the President's faith-based initiative, and oversight of personnel management.

During the 109th Congress our agenda is even more aggressive. Our legislative agenda will focus on: computer security; Postal Service Reform; drivers' license security; identify theft; streamlining the presidential appointments process; federal law enforcement pay and classification reform; reorganization of the General Services Administration; and additional acquisition reform. On the oversight side, the Committee will focus on the GAO's high-risk list; management of the Department of Homeland Security; the battle against narco-terrorism; the FDA's ability to ensure adequate flu vaccine availability and protecting the public from dangerous prescription drugs; the evolving role of the National Guard; and the misuse of federal grant money in the District of Columbia, among many other issues.

Our continued goal is to see improvements in the efficiency and effectiveness of our Federal Government, to root out waste, and mismanagement, in government programs; and to protect the rights and interests of the American taxpayer. I'm working

to make the Government Reform Committee home plate when it comes to accomplishing these goals.

With the amount of legislative and oversight hearings in the 108th Congress and this aggressive agenda noted for the 109th, we believe we can accomplish our goals with an 8.8% increase from last year's budget.

But right now, I'd like to give you a brief history on the Committee's budget. In the 104th Congress the Committee acquired 2 other standing committees (Post Office and Civil Service, and the District of Columbia) as subcommittees of the Government Reform Committee. During the 103rd Congress, the Government Reform Committee had a staff of 78 and a budget of $11.7 million. The District of Columbia budget was $5.1 million with 39 staffers and the Post Office and Civil Service budget was $9.5 million with a staff of 75. This is a total of $14.7 million for the two standing committees and 192 employees. When the 2 standing committees combined with the Government Reform Committee, the Government Reform Committee received 105 employees and a budget of $13.5 million. This effectively cut committee funding in half.

In the 105th Congress, the Committee budget increased to enhance its investigative resources, but those gains have disappeared over the years. From the 105th Congress to the 108th, the Committee has received an average 0.7 percent *decrease* in funding. This average does not meet the demands of the cost of inflation over the past three Congresses, and even with the 8.8% increase the Committee would yield only an approximate 1.7% increase from the 105th Congress.

But I am not here to ask for more money simply for equity's sake: We have specific plans for how we would use our requested increase in Committee funds. One

area is in Committee staffing. In order to accomplish the goals of the 109th Congress, we see a need for three additional -- two new employees for the majority and one for the minority that would assist the Committee in carrying out its legislative and oversight responsibilities. The budget request also reflects an opportunity for employees to receive merit pay increases. We have found it difficult to maintain staff with existing budgetary constraints on our employee salaries.

Also, additional committee funding will help us pay for the increase in transit benefits that are now available to all employees. In the past, funds have been transferred from other lines of operation to meet these needs.

We would also like the ability to hire consultants in specialized areas to give us expertise in the areas of technology, acquisition, and health policy, as part of our efforts to locate fraud, waste and abuse and to make government more efficient.

The committee acquired much of its equipment during the 107th Congress and we would like to update our equipment and technology to make our software current. It is our goal to upgrade workstations every three years to keep pace with technology. We have also requested an increase for the hiring of outside webcasting and vendors for website development.

The extensive use of travel for our investigations and field hearings – a result of our wide jurisdiction and commitment to oversight – is a necessity for the Committee. This is in order to get a true perspective on investigations and oversight and to not be limited to an inside-the-Beltway insight from our hearing witnesses.

With this budget proposal, we believe we can meet the needs of the Committee's legislative and oversight agenda and at the same time reach our goals in stamping out

fraud, waste, and mismanagement within our federal system with legislative and oversight remedies.

Once again, I would like to thank you for this opportunity to testify before the Committee and hope that you will look favorably upon the Committee's request. We look forward to working with you in the 109th Congress.

The CHAIRMAN. Wow. What do you do in your spare time?

I just want to ask one question, be it a little irregular here, because I know we are supposed to go to our distinguished Ranking Member. But your home plate goals, was that intentional or——

Mr. DAVIS. We just try to touch all the bases.

The CHAIRMAN. Well, you made a home run. Thank you.

Mr. Waxman.

STATEMENT OF HON. HENRY A. WAXMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. WAXMAN. Mr. Chairman, Ms. Millender-McDonald, Ms. Lofgren, members of the committee, I am pleased to have the opportunity to go to bat with Chairman Davis on behalf of the budget request that our committee is making.

When Chairman Davis took over the gavel in the last Congress for the Government Reform Committee, he pledged to continue providing the Minority with a 33 percent allocation of the committee resources, and I am pleased he is continuing this approach in this Congress. In addition, I am grateful for the good lines of communication that Chairman Davis has established with the Minority. We do not always agree, but we always make an effort to understand each other's position and to conduct the committee's business professionally. And in important areas such as oversight of steroid use in baseball, which is on our minds because we are having a hearing on that topic tomorrow, we are able to work together on a bipartisan basis.

It is important to put the Government Reform Committee budget request in perspective. Over the last three Congresses, the budgets of other House committees have grown on average 33 percent. Some committees have seen their budgets grow by over 60 percent. Our committee, the Government Reform Committee's budget has actually been cut over this period. We have seen our total budget cut by 2 percent during a period in which inflation alone has increased by 14 percent.

I join Chairman Davis in emphasizing that the committee cannot fulfill its crucial legislative and oversight responsibilities if this trend continues. That is why it is so critical that the Government Reform Committee budget request be fully funded.

The committee is responsible for addressing numerous pressing public policy challenges facing our Nation. I won't go through the extensive list that the Chairman has given you, but I do want to point out that we have legislation to reform the Postal Service which is critical to the long-term viability of that system. We continue our important work to ensure our Nation's drug control policies are operating effectively through reauthorization of the Office of National Drug Control policy and oversight of drug control efforts.

The committee continues to conduct oversight of the District of Columbia. Chairman Davis and I have worked together to look at FDA enforcement of false and misleading advertisements, manufacturing practices for drugs, biologics, and vaccines. And, of course, we are examining the growing problem of youth steroid use.

I hope that, for these reasons, the members of this committee will support our committee's funding request in its entirety. I

thank you, Mr. Chairman, for this opportunity to be here and to answer any questions you or your members may have.

[The statement of Mr. Waxman follows:]

Statement of
Representative Henry A. Waxman, Ranking Minority Member
Committee on Government Reform
Before the Committee on House Administration

March 16, 2005

Mr. Chairman, I am pleased to have the opportunity to testify today. At the outset, I want to express my strong support for the Committee funding request made by Chairman Tom Davis for the 109th Congress.

When Chairman Davis took over the gavel in the Government Reform Committee in the last Congress, he pledged to continue providing the minority with a 33% allocation of the Committee resources. I am glad that he is continuing this approach in this Congress. In addition, I appreciate the good lines of communication that Chairman Davis has established with the minority. We do not always agree, but we always make an effort to understand each other's position and to conduct Committee business professionally. And in important areas – such as oversight of steroid use in baseball – we are able to work together on a bipartisan basis.

It is important to put the Government Reform Committee budget request in perspective. Over the last three congresses, the budget of other House committees have grown by 33% on average. Some committees have seen their budgets grow by over 60%. But the

Government Reform Committee budget has actually been cut over this period. We have seen our total budget cut by 2% during a period in which inflation alone has increased by 14%.

I join Chairman Davis in emphasizing that the Committee cannot fulfill its crucial legislative and oversight responsibilities if this trend continues. That is why it is so critical that the Government Reform Committee's budget request be fully funded.

The Government Reform Committee is responsible for addressing numerous pressing public policy challenges facing our nation. For example, the Committee is moving forward legislation to reform the Postal Service, which is critical to the long-term viability of the postal system. The Committee also will be continuing its important work to ensure that our nation's drug control policies are operating effectively, through reauthorization of the Office of National Drug Control Policy and oversight of drug control efforts.

The Committee continues to conduct oversight of the District of Columbia. And Chairman Davis and I have agreed to work together to examine FDA enforcement of false and misleading advertisements, manufacturing practices for drugs, biologics, and vaccines. And, of course, we are now examining the growing problem of youth steroid use. These topics affect the health and safety of millions of Americans across the country. And each requires substantial staff resources.

For these reasons, I urge you to support the Committee's funding request in its entirety.

Thank you, Mr. Chairman, for the opportunity to testify today.

The CHAIRMAN. I want to thank both the gentlemen for being here.

Mr. Waxman, is the split workable, the two thirds/one third funding?

Mr. WAXMAN. I would prefer that we got the two-thirds, but other—but since the rules have always been that—since the objective has been for many, many years the idea that the Minority would get one-third, we have been treated fairly in that regard.

The CHAIRMAN. I worked with you 4 years ago, and I appreciate that, on a difficult situation, to get that into balance we worked with you personally.

Mr. WAXMAN. I do recall that. I appreciate that.

The CHAIRMAN. Under a previous Chair, and appreciated your working with us to try to get that into line 4 years ago.

I really have no questions of the Chair.

Ms. MILLENDER-MCDONALD. Mr. Chairman, thank you so much.

Mr. Waxman, help is on the way in terms of the two-thirds, I suppose.

Mr. WAXMAN. We have to wait for elections for that.

Ms. MILLENDER-MCDONALD. As one once said, it is good to know, though, that you are working admirably, I suppose, with the one-third for the total budget, the slots, and the control that you have. As I have spoken with you, and you seem to be pretty satisfied with that, and that is a good thing because the Chairman is just adhering to the formula that this committee has set forth even going back to when Mr. Thomas was the Chair. He outlined that formula, and we are keeping with that.

Mr. WAXMAN. For our committee, the Minority, we go all the way back to Mr. Ney's chairmanship of where we were able to get the third. But in previous years there were all sorts of ways that, when all was said and done, we didn't get quite what the objective was. So I want to acknowledge the role that the Chairman here had played in that, and to express to you that we feel that we are being treated fairly.

Ms. MILLENDER-MCDONALD. Very good. Very good.

In terms of the request for your franking, Mr. Chairman, I see that you had requested over the years certain amounts, $17,500, but you spent barely $3,700, and then $9,000 in the other one, in the first and second session of the 108th Congress. You are requesting now $25,000, and I would just ask what—by what means are you expecting to expand the mass mailing?

Mr. DAVIS. One of the—I guess one of the beauties of this committee is we oversee all Federal procurement. And one of the things we have tried to do, Federal procurement right now is centered inside the Beltway, in and around Washington, which is great for my district; our unemployment rate is 1.4 percent. But what we are trying to do is go out into other communities and put on seminars how you sell to the government so that we can get the benefit of what people outside the Beltway can offer the Federal Government, whether it is goods or services. And franking is the best way to do this. We did three or four of these last time; we did one up in Mr. Tierney's district, we did one out in the Bay Area. But there are other areas, not just technology areas, where this is useful not just to the Members, but to the businesses in those

areas. And it is helpful to the government, because the more bidders we have, the better we can drive prices down and get more competitive rates. So it is basically what we call these procurement fairs. It is a benefit to our Members, but also people outside the committee as well. And the frank is a very good way to reach a lot of these businesses.

Ms. MILLENDER-MCDONALD. Well, I really—having my undergrad in business administration marketing, I am certainly one who advocates marketing as much as you can to get the word out. So that is a good thing.

Mr. Waxman, how much of the franking funds do you use for your own franking mailing?

Mr. WAXMAN. I would like to give you the answer to that for the record. I don't know offhand, but I assume we get a split to serve the needs of the Minority for the very same purpose. A lot of our Members, not just on our committee, but Democratic Members in the House would like to have these opportunities for these fairs that can reach out to people to understand how they can get involved in government contracts; particularly in minority areas, I think that would be very, very helpful. So I don't know the exact number, but I assume that we will want to be able to have a fair distribution of it.

Ms. MILLENDER-MCDONALD. I would like to think so as well.

Mr. DAVIS. We did one in Mrs. Maloney's—I mean, we don't care whose district it is in. We try to involve our regions. Ultimately, this benefits the Federal Government, so we would be happy to work with Mr. Waxman on these areas.

Ms. MILLENDER-MCDONALD. Very good. Thank you so much to both of you.

And, Mr. Chairman, I would like to perhaps get a report as to how much is being spent on franking both with the Chair and the Minority or the Ranking Members on each committee, and report that back to us. Thank you so much.

The CHAIRMAN. The gentlelady from California.

Ms. LOFGREN. I would just say I think the questions that have been asked are interesting. As you know, I serve on the Judiciary Committee, and I was interested in your comment about antitrust in baseball, especially since San Jose wants a baseball team. So perhaps we can talk further about that later.

And I yield back, Mr. Chairman.

The CHAIRMAN. I want to thank both gentlemen for being here today and your time before the committee. Thank you.

I ask unanimous consent that Members have 3 business days to submit their statements and materials for the record. Those statements and materials will be entered in an appropriate place in the record. Without objection, material will be so entered.

Also, I would note the gentlelady's request, too. Of course, the questions, this record will be open for the questions to be answered and submitted. I don't know, 30 days, I assume? I mean, or 2 weeks?

Ms. LOFGREN. I am sure it wouldn't take the Chairman more than 30 days. They were simple questions.

The CHAIRMAN. Then we will—leave making sure I am technically correct here. Three business days. Without objection, the material will be entered.

I ask unanimous consent staff be authorized to make technical and conforming changes on all matters considered by the committee in today's portion of the hearing. Without objection, so ordered.

Having completed our business for the day in this hearing on the committee funding, the committee is hereby adjourned.

[Whereupon, at 5:53 p.m., the committee was adjourned.]

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