

CONGRESS' REPORT CARD ACTION ON THE 2011 GAO DUPLICATION REPORT

In March 2011, GAO released their first annual duplication as required by law.¹

Today, in addition to releasing the second annual duplication report, GAO also released a report card on Washington, detailing action taken and not taken by Congress and the Executive Branch, on the recommendations included in last year's duplication report.

While Congress imitated much of the duplication problem in Washington, by continually creating new programs and refusing to conduct oversight and eliminate old ones, no one is without fault in addressing the specific areas outlined in last year's GAO report.

Congress has refused to enact 60 percent of the recommendations it was given by GAO, while the Executive Branch has not addressed 63 percent of the recommendations GAO directed to it.

Meanwhile, Congress has only fully implemented 4 (13%) of the recommendations it was given by GAO, and the Executive Branch fully addressed 19 (13%) of its recommendations.

Combined, Washington fully addressed only four of the 81 areas identified by GAO, representing a mere five percent. Meanwhile, Congress and the Executive Branch completely ignored 21 percent of the areas in desperate need of reform, as outlined by GAO.

Even more, considering "partially addressed" can mean something as little as a bill passed out of a congressional committee or a task force was proposed to examine an issue, in truth, the partially addressed areas have not been fixed at all and taxpayers have realized little to no savings from these beginning steps. Though initial actions are needed and welcomed, we must do more. In short, 153 specific recommendations, 87 percent, made by GAO last year have not been fully implemented.

This represents hundreds of billions of dollars Washington could have saved over the next ten years, had we only heeded the advice outlined in last year's duplication report. At a time when Washington is struggling to find areas of agreement in how to address our looming debt, these lost savings are a missed opportunity.

The 2011 GAO report reviewed *81 specific areas of duplication and potential cost savings*. Within these 81 areas, GAO detailed *176 explicit recommendations* for how Congress and the Executive Branch can eliminate duplication and implement reforms, saving taxpayers hundreds of billions of dollars.

Of the 81 specific areas of duplication and potential cost savings:

- 4 (5 percent) are fully addressed and completed;
- 60 (74 percent) were partially addressed; and
- 17 (21 percent) were not addressed in any way GAO could identify.

¹ Government Accountability Office, *Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue*, March 2001, GAO-11-318SP, <http://www.gao.gov/assets/320/315920.pdf>

Within the 81 areas, GAO made 176 explicit recommendations to Congress and the Executive Branch in the report. Of those:

- 23 (13 percent) are fully addressed and completed;
- 99 (56 percent) were partially addressed; and
- 54 (31 percent) were not addressed in any way GAO could identify.

Of the 30 (17 percent) recommendations given to Congress:

- 4 (13 percent) are fully addressed and completed;
- 8 (26 percent) were partially addressed ; and
- 18 (60 percent) were not addressed in any way GAO could identify.

Of the 146 (83 percent) recommendations given to the Executive Branch:

- 19 (13 percent) are fully addressed and completed;
- 35 (24 percent) were partially addressed; and
- 92 (63 percent) were not addressed in any way GAO could identify.

FULLY ADDRESSED AREAS

Four of the 81 areas (five percent) identified by the GAO in 2011, were fully addressed by Washington over the last year.

Congress fully addressed one area raised by GAO, while the Executive Branch fully addressed three specific areas.

1. **Ethanol Tax Credit:** Congress did not extend the ethanol tax credit (VEETC), eliminating this duplicative tax credit.
2. **Explosives Investigations:** The Executive Branch is now monitoring overlap in explosives investigations at four overlapping offices.
3. **International Affairs:** The State Department is now formally delineating the roles of overlapping functions at their Arms Control and Nonproliferation Bureaus.
4. **IRS Program Integrity:** The IRS studied ways to systematically identify nonresident aliens who have improperly filed certain IRS forms. The IRS determined creating a program to identify this type of noncompliance is not current cost effective.

PARTIALLY ADDRESSED AREAS

60 of the 81 areas (74 percent) identified by the GAO in 2011, were partially addressed by Washington over the last year.

Partially Addressed Areas: Economic Development

The 2011 GAO report detailed more than 80 overlapping federal economic development programs. This issue has only been partially addressed by Washington. According to their report card, the Executive Branch has taken no action to address this duplication. Despite the fact several congressional committees have approved legislation to reauthorize certain surface transportation programs under the economic development area, these proposals have not become law. Thus, virtually no real reform has occurred in the consolidation of the 80 economic development programs outlined by GAO last year.

NOT ADDRESSED AREAS

17 of the 81 areas (21 percent) identified by the GAO in 2011, were not addressed by Congress or the Executive Branch in any way GAO could determine.

Areas Ignored by Washington

Reducing Farm Payments

GAO called on Congress to reduce farm program payments, which could result in savings of up to \$5 billion annually. Despite proposals by the president, the Fiscal Commission, and the House Budget Committee to achieve more than \$15 billion in savings from reducing these subsidies, Congress has refused to enact any reforms or farm savings.

Review of Tax Expenditures

GAO recommended a complete review of tax expenditures, stating that ineffective tax expenditures and redundancies in related tax and spending programs result in revenue losses to the government of hundreds of billions of dollars.

Despite ongoing calls from many in Washington for comprehensive tax reform and elimination of special interest spending in the tax code, the GAO report card found none of the specific recommendations in this area have been addressed.

Definitions, for purposes of congressional action

- Addressed: A bill addressing the action/recommendation completely was passed by Congress and signed by the president.
- Partially Addressed: Relevant legislation passed out of a congressional committee.
- Not Addressed: Legislation has not passed out of a congressional committee.

Definitions, for purposes of executive branch

- Addressed: Executive action taken and fully implemented recommendations
- Partially Addressed: The executive branch has taken some action, such as formed a task force or set a policy, but not actually implemented a policy or reform.
- Not Addressed: GAO could not discern any action taken by the executive branch.