

**Daniel Schuman, Policy Director, Demand Progress Action, Submitted to the Appropriations Financial Services and General Government Subcommittee
Re: the Office of Management and Budget and Independent Agencies Accounts**

Dear Chairman Lankford, Ranking Member Coons, and members of the committee:

Thank you for the opportunity to submit this testimony regarding transparency measures for possible inclusion in the FY19 Financial Services and General Government Appropriations bill. Our recommendations include: (1) providing centralized access to Congressional Budget Justifications, (2) supporting Oversight.gov, which collects all Inspectors General reports in one location, and (3) improving transparency concerning the Office of Management and Budget's regulatory review process.

Provide Centralized Access to Congressional Budget Justifications

Congressional Budget Justifications provide a plain-language explanation of how an agency spends money and how it intends to spend funds in the upcoming year. The reports are invaluable for understanding agency activities, but they can be hard to find and are not available in a central location. While the Office of Management and Budget has stated its authority to control the format of the reports and review their content,¹ OMB has not yet exercised its authority to publish that information altogether on a single webpage. This contrasts with other Executive branch budget documents, which are published on OMB's website at <https://www.whitehouse.gov/omb/budget/>.

The House FSGG committee included language in its FY18 appropriations committee report requesting OMB publish the reports on OMB's website, but OMB has not done so as of April 26, 2018. We urge this committee to include this provision as well, and suggest the committee may wish to formalize this provision in legislative text to encourage compliance. Here is the report language for FY18:²

Online Budget Repository.—The Committee encourages OMB to develop a central online repository where all Federal agency budgets and their respective justifications are publicly available in a consistent searchable, sortable, and machine readable format.”

¹ See OMB Circular A-11 section 22.6(c), available at https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/a11_current_year/s22.pdf.

² See p. 31, H. Rpt 115-234, “FINANCIAL SERVICES AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 2018,” available at <https://www.congress.gov/115/crpt/hrpt234/CRPT-115hrpt234.pdf>.

Improving Congressional and Public Access to Inspectors General Reports

Last year, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) established a central repository for reports from all 72 Inspectors General at Oversight.gov. The website represents a major step forward in improved accessibility and accountability for their work product. Congress and the public can now search across multiple Inspectors General for reports and recommendations in a much more efficient and expedited manner.

The Oversight.gov website is an impressive proof of concept, but it requires a steady funding stream to continue its operations, improve its functionality, and provide expanded services. CIGIE leadership has described next steps for the website if resources become available.³

Currently CIGIE does not receive a direct appropriation; rather, all financial resources for CIGIE operations come through funds provided by its constituent Inspector General entities, which are held in a revolving fund.

Congress should support a robust Oversight.gov with increased functionality and provide \$750,000 in dedicated funding to CIGIE through a new appropriations line item.

Congress should also provide guidance to CIGIE as to the importance of congressional and public accessibility and notification for all reports of an Inspector General through their websites. This would follow the best practices of both the DOD Inspector General and the Government Accountability Office⁴.

We recommend the following bill and report language be included in the FSGG Appropriations bill in the section on Independent Agencies by creating a new account entitled Council on the Inspectors General on Integrity and Efficiency (CIGIE).

Appropriations Bill Language:

Council of the Inspectors General on Integrity and Efficiency: Provide \$750,000 to the revolving fund of the Council of the Inspectors General on Integrity and Efficiency as established under 5 APPENDIX U.S. Code § 11 (C)(3)(B) [Establishment of the Council of the Inspectors General on Integrity and Efficiency] for the purpose of maintaining and expanding the federal-wide inspectors general website.

Report Language:

\$750,000 is provided to the revolving fund of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) for the purpose of maintaining and expanding the federal-wide Inspectors General website and providing related services. The Committee is

³ See <https://oversight.house.gov/wp-content/uploads/2017/11/Horowitz-CIGIE-Chair-DOJ-IG-Statement-11-15.pdf>.

⁴ See https://www.gao.gov/restricted/restricted_reports.

pleased that the Inspector General community has taken this step that allows for more efficient and effective access to its reports and recommendations by Congress and the public. The Committee expects CIGIE to use these funds for the maintenance of and improvement to the existing website, providing information about its contents, and assessing the provision of new services.

The Committee expects the IGs to include as part of their individual websites and provide to Oversight.gov a listing of information about the reports even when some or all of the content of the reports must remain non-public because that information is classified or sensitive. In these extraordinary situations, the Committee expects, at a minimum, inclusion on the publicly accessible websites of the individual IGs and on Oversight.gov of the following information regarding the report: the title, date of publication, the agency responsible for the report, the details of the congressional request, a description of the subject, and a general reason for its redaction. The listing of restricted reports is in accordance with best practices, such as those employed by the Government Accountability Office and the Department of Defense Office of Inspector General.

The Committee expects the Oversight.gov website will include, within 180 days of the enactment of this Act:

- A public-facing list of the total number and date range of reports available on Oversight.gov from each Inspector General;
- A public-facing list broken out by each Inspector General of whether that IG has any non-public reports, the number of reports concerning which the IG has given notice to CIGIE of that non-public report, with appropriate descriptive information as described above; and the total number of non-public reports held by the IG for the period of time of reports provided by the IG to Oversight.Gov.

In addition, the Committee requests that CIGIE provide to the Committee within 180 days and publish on its website:

- An evaluation of creating an online whistleblower hotline, hosted by CIGIE, that provides cross-agency support;
- A list of enhancements that CIGIE proposes to the oversight.gov website;
- An evaluation of the merits and costs of providing a database of all open IG recommendations, including a report on their status in near-real time; and
- An assessment of whether CIGIE could provide website hosting capabilities to some IG offices or other support services.

Improve Transparency Concerning Regulatory Review Conducted by the Office of Management and Budget

OMB plays a major role in the regulatory process but GAO has stated that OMB has not followed through on GAO's recommendation to provide for transparency in its reviews of

regulations. In a series of 7 reports, GAO issued 25 recommendations of which 16 have not been implemented. Some examples of those recommendations include:

- Disclosure of the reasons for withdrawal of a rule from OIRA review.
- Defining transparency requirements to also include the informal review period when OIRA says it can have its most important impact on agencies' rules.
- Differentiating in OIRA's database which rules were substantively changed at OIRA's suggestion or recommendation and which were changed in other ways and for other reasons.

We propose this committee request that OMB assess whether it has met its obligations as identified by GAO and provide public reporting on its efforts to meet them. Such a provision would be included in the Office of Management and Budget Account under the Executive Office of the President. We proposed the following report language:

OMB Transparency: In a series of 7 reports going back more than 15 years, GAO issued 25 recommendations to OMB to address transparency issues regarding OMB's progress on recent improving the transparency of the regulatory review process under Executive Order 12866, and addressing other challenges and opportunities for increasing the transparency and oversight of the rulemaking process. To date, only 9 recommendations have been implemented according to the latest GAO testimony to Congress in March 2016.⁵

Within 60 days of enactment OMB is requested to submit to the Senate and House of Representatives Appropriations Committees, the Senate Homeland Security and Governmental Affairs Committee, the House Committee on Oversight and Government Reform, and make available online to the public a specific plan with timetables to fully implement GAO's 16 recommendations on improving transparency of the rulemaking process. Within 180 days, OMB is requested to submit an additional report to the congressional committees outlined above and make available to the public a status report on its full implementation of those recommendations. It is our expectation that these recommendations will be fully implemented within 1 year.

⁵ See "Opportunities Remain for OMB to Improve the Transparency of Rulemaking Processes," Government Accountability Office (March 15, 2016), report GAO-16-505T, available at <https://www.gao.gov/products/GAO-16-505T>.