

Calendar No. 572

117TH CONGRESS }
2d Session

SENATE

{ REPORT
117-216

WASTEFUL FEDERAL PROGRAMS
REDUCTION AUTHORIZATION ACT

—
R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 2135

TO AMEND TITLE 31, UNITED STATES CODE, TO
REQUIRE THE CHIEF OPERATING OFFICER OF EACH
AGENCY TO COMPILE A LIST OF UNNECESSARY PROGRAMS,
AND FOR OTHER PURPOSES



DECEMBER 5, 2022.—Ordered to be printed

—
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**WASTEFUL FEDERAL PROGRAMS REDUCTION
AUTHORIZATION ACT**

DECEMBER 5, 2022.—Ordered to be printed

Mr. PETERS, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 2135]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 2135) to amend title 31, United States Code, to require the Chief Operating Officer of each agency to compile a list of unnecessary programs, and for other purposes, having considered the same, reports favorably thereon with an amendment, in the nature of a substitute, and recommends that the bill, as amended, do pass.

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I. PURPOSE AND SUMMARY

S. 2135, the Identifying and Eliminating Wasteful Programs Act, creates a process for identifying wasteful agency programs and program activities to reduce spending and streamline delivery of government services through increased transparency.

II. BACKGROUND AND THE NEED FOR LEGISLATION

The federal government continues to face an unsustainable long-term fiscal path caused by an imbalance between federal revenue and spending.¹ In the short-term, opportunities exist for achieving billions of dollars in financial savings by improving the efficiency and effectiveness of federal programs.² S. 2135 presents a pathway for realizing these cost saving opportunities by assisting Congress, the Government Accountability Office (GAO), and other transparency and accountability actors with identifying unnecessary, defunct, or duplicative federal programs.

S. 2135 builds upon previous efforts to inventory federal programs to provide greater transparency and track costs and performance. Namely, the bill draws inspiration from the Government Performance and Results Act Modernization Act of 2010 (GPRAMA), the Taxpayers Right-to-Know Act, and the Congressional Budget Justification Transparency Act of 2021. S. 2135 is loosely based on section 11 of GPRAMA, which established a system for identifying and eliminating outdated agency reporting. Under section 11, agencies compile a list of statutorily mandated duplicative or outdated reports. Agencies then send the list to the Office of Management and Budget (OMB) for review, and OMB passes the list to Congress and may submit legislative recommendations for Congress' consideration that eliminates or consolidates the reports identified on the list.

Similarly, S. 2135 would require agency Chief Operating Officers to compile a list of wasteful, duplicative, or otherwise unnecessary programs in its annual Congressional budget justifications. The list of programs should include unnecessary, defunct, or duplicative programs that require statutory action to eliminate, agency recommendations for programs that could be performed more effectively by a different agency, and any plans to consolidate programs within the agency. The list of programs and recommendations must be sent to OMB for review, and OMB shall pass the list to Congress.

S. 2135 establishing a process for identifying unnecessary, defunct, or duplicative federal programs. Once these programs have been identified, Congress can craft legislation to rescind statutory authorization for these programs and realize the accompanying cost savings.

III. LEGISLATIVE HISTORY

Senator Margaret Hassan (D-NH) introduced S. 2135, the Identifying and Eliminating Wasteful Programs Act, on June 17, 2021, with original co-sponsor Senator Mike Braun (R-IN). The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered S. 2135 at a business meeting on February 2, 2022. During the business meeting, a substitute amendment and a modification to the substitute amendment were offered by Senator Hassan and adopted by voice vote *en bloc*. The sub-

¹ Government Accountability Office, *2021 Annual Report: New Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions in Financial Benefits* (GAO-21-455SP) (May 2021).

² *Id* at 1.

stitute amendment requires agencies to identify a list of wasteful programs and integrate the list into the Federal Program Inventory.³ The substitute amendment, as modified, makes technical changes to the substitute amendment to update references. The bill, as amended, was ordered reported favorably by voice vote *en bloc*. Senators Peters, Carper, Hassan, Sinema, Rosen, Padilla, Ossoff, Portman, Lankford, Scott, and Hawley were present.

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

Section 1. Short title

This section establishes the short title of the bill as the “Identifying and Eliminating Wasteful Programs Act.”

Section 2. Identification and elimination of unnecessary agency programs or program activities

Subsection (a) amends the federal program inventory to include annual budget justification materials prepared by OMB in an effort to increase government accountability.

Subsection (b) defines the terms “agency”, “program”, and “program activity”. Additionally, subsection (b) requires agency Chief Operating Officers to compile a list of programs in its annual budget. The list of programs should include: unnecessary, defunct, or duplicative programs; recommendations for programs that could be performed more effectively by a different agency; and plans or actions to consolidate unnecessary, defunct, or duplicative programs within the agency. Subsection (b) requires OMB publish the list of wasteful programs as part of the federal program inventory and any federal program inventory pilot programs. Lastly, OMB must submit the compiled list of programs to the Committee on Appropriations in the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Oversight and Reform of the House of Representatives. OMB must also consult with Congress to determine whether a program is unnecessary, defunct, or duplicative, whether it could be eliminated or consolidated with another program, and whether another agency could perform the activity more effectively.

Subsection (c) makes a clerical amendment for section 1127 of title 31 to be added to the table of sections.

Subsection (d) sets the effective date as 120 days after the date of enactment.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office’s statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

³National Defense Authorization Act for Fiscal Year 2021, Pub. L. 116–283, Sec. 9601 (2021).

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 17, 2022.

Hon. GARY PETERS,
Chairman, Committee on Homeland Security and Governmental Affairs,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2135, the Wasteful Federal Programs Reduction Authorization Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

S. 2135, Identifying and Eliminating Wasteful Programs Act			
As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on February 2, 2022			
By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	*	not estimated
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2033?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 2135 would require the Office of Management and Budget to provide guidance to federal agencies for identifying programs and activities for elimination or consolidation, within the current budget process.

The federal government currently reviews different ways to reduce, eliminate, or manage the overlap and duplication within its agencies. Because of that ongoing activity, CBO expects that implementing the bill would not significantly increase or reduce federal spending over the 2022–2027 period. Additionally, CBO estimates that the administrative costs to implement the bill would be less than \$500,000 over the same period. Any effect on spending would be subject to future appropriation action.

Enacting S. 2135 could affect direct spending by some agencies that are allowed to use fees, receipts from the sale of goods, and other collections to cover operating costs. CBO estimates that any net changes in direct spending by those agencies would be negligible because most of them can adjust amounts collected to reflect changes in operating costs.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows: (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

UNITED STATES CODE

* * * * *

TITLE 31—MONEY AND FINANCE

* * * * *

Subtitle II—The Budget Process

* * * * *

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

* * * * *

SEC. 1122. TRANSPARENCY OF PROGRAMS, PRIORITY GOALS, AND RESULTS

(a) * * *

* * * * *
(3) * * *

* * * * *

(D) * * *

(i) * * *

* * * * *

(vi) to the extent practicable and consistent with guidance issued by the Director of the Office of Management and Budget, information provided in the annual budget justification materials submitted in conjunction with the budget of the United States Government submitted under section 1105(a) in accordance with section 3(a) of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note);

[(vi)](ix) any other information that the Director of the Office of Management and Budget determines relevant relating to program activity data in priority areas most relevant to Congress or the public to increase transparency and **[accountability; and]** **accountability**, including information included in the list compiled under section 1127(b)(1); and

[(vii)](ix) for each assistance listing under which Federal financial assistance is provided, for the cur-

rent fiscal year and each of the 2 fiscal years before the current fiscal year and consistent with existing law relating to the protection of personally identifiable information—

* * * * *

SEC. 1127. IDENTIFICATION OF UNNECESSARY AGENCY PROGRAMS OR PROGRAM ACTIVITIES

(a) **DEFINITIONS.**—*In this section:*

(1) **AGENCY.**—*The term ‘agency’ has the meaning given the term in section 1108(a).*

(2) **PROGRAM.**—*The term ‘program’ has the meaning given the term in section 1122(a)(1).*

(3) **PROGRAM ACTIVITY.**—*The term ‘program activity’ has the meaning given the term in section 1115(h).*

(b) **AGENCY IDENTIFICATION OF UNNECESSARY PROGRAMS OR PROGRAM ACTIVITIES.**—*Not later than the 20 days after the date on which the President transmits the budget of the United States Government under section 1105(a) each year, and based on guidance provided by the Director of the Office of Management and Budget, the Chief Operating Officer of each agency shall—*

(1) *compile a list that identifies any program or program activity of the agency that—*

(A) *is unnecessary, defunct, or duplicative of another program or program activity of the agency;*

(B) *another agency could administer more effectively; or*

(C) *could operate more effectively if the program or activity were consolidated with other programs or activities;*

(2) *publish the list compiled under paragraph (1) in—*

(A) *with respect to each list compiled before the date of the implementation described in section 9601(b)(3) of title XCVI of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (31 U.S.C. 1122 note) of the program inventory described in section 1122(a)(2)(B)(i) of this title, the pilot program described in section 9601(b)(2)(B) of title XCVI of that Act; and*

(B) *with respect to each successive list, the program inventory described in section 1122(a)(2)(B)(i); and*

(3) *submit the list compiled under paragraph (1) to—*

(A) *the relevant congressional committees of jurisdiction of the agency;*

(B) *the Committee on Appropriations of the Senate;*

(C) *the Committee on Homeland Security and Governmental Affairs of the Senate;*

(D) *the Committee on Appropriations of the House of Representatives; and*

(E) *the Committee on Oversight and Reform of the House of Representatives.*

(c) **RECOMMENDATIONS.**—*Based on guidance issued by the Director of the Office of Management and Budget, the head of an agency may submit to Congress recommendations for statutory changes to*

*eliminate or consolidate programs or program activities identified
under subsection (b)(1).*

* * * * *

