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**PUBLIC PRINTER
PREPARED STATEMENT BEFORE THE**

**SUBCOMMITTEE ON LEGISLATIVE APPROPRIATIONS
COMMITTEE ON APPROPRIATIONS
U.S. SENATE
ON
VARIOUS GOVERNMENT PRINTING PROPOSALS**

RUSSELL SENATE OFFICE BUILDING, SR-301
THURSDAY, FEBRUARY 3, 1994
9:30 A.M.

Mr. Chairman and Members of the Committee on Rules and Administration, I am pleased to be here this morning to discuss the Government printing proposals contained in title XIV of H.R. 3400 (the Government Information Dissemination and Printing Improvement Act of 1993), the associated title XIV of the National Performance Review (NPR) Report, and the Organization of Congress Report of the Senate Members of the Joint Committee on the Organization of Congress, and to share my views on improving the efficiency and effectiveness of Government printing.

In recent months there have been several developments affecting the Government Printing Office (GPO), prompted by the NPR's proposals to change longstanding law and policy regarding Government printing. My staff and I have paid close attention to these developments. We met with NPR staff members and provided information at their request. In June 1993 I testified before the Joint Committee on the Organization of Congress on GPO and its operations. During the past several weeks we assisted a study by the Library of Congress (LOC) on the impact of transferring GPO's Superintendent of Documents operation to LOC, as required by the House-passed version of H.R. 3400. We have also consulted with the Joint Committee on Printing (JCP) and representatives of GPO's employee unions, the printing industry, the library community, Government information users including elements of the information industry, and others regarding the possible impacts of these and other proposals, such as H. Res. 266, H.R. 3691, and H.R. 3721.

Mr. Chairman, the effort to improve GPO has my full support and the support of GPO's employees. Last May I appeared before the JCP to talk about GPO's financial condition. At that time I talked about my plans to reduce the expense and improve the provision of GPO's products and services; in other words, to transform GPO into an agency that works better and costs less. In October I appeared before this Committee in the hearing on my nomination as Public Printer. I spoke again about need for change at GPO, and we are making those changes.

Throughout the past year, GPO has been successful in carrying out plans to reduce personnel costs, the major component of our printing rates. We have frozen hiring and we recently concluded a retirement incentive program that reduced GPO's employment levels by 355 FTE's;

as a result of these actions, the numbers of managers and supervisors are declining. We have developed a business plan for the reduction of certain field operations. We are optimizing space utilization--and reducing commercial lease costs--through the relocation of Superintendent of Documents operations to the Central Office. We are continuing to work within a pricing structure for Congressional and agency products that has been stable for more than 3 years. We are modernizing our plant with new Congressional Record presses and other equipment.

We are also making significant improvements in information service provision. The number of titles we disseminate to depository libraries and the public in electronic formats is growing substantially, and we have inaugurated a successful online bulletin board service for public access. Most importantly, with the leadership of this Committee, the passage of the GPO Electronic Information Access Enhancement Act of 1993 (P.L. 103-40) is moving GPO forward into an even more significant role in the electronic dissemination of critical Government information, including the Congressional Record, the Federal Register, and other key information products. GPO is an important participant in the national information infrastructure, and is positioned to become part of the information superhighway.

GPO supports the overall program of change that President Clinton and Vice President Gore are leading, especially with respect to improving public access to Government information. But we are dismayed at the direction the NPR and the resulting legislative proposals have taken. In our view the proposals will have a negative impact on the costs of Government printing and on the efficiency and effectiveness of public access to Government information. They will have negative impacts on the maintenance of standards and quality in Government printing, on the achievement of environmental reforms in Government printing, such as the use of recycled paper and vegetable based inks, and on efforts to improve the longevity of important Government publications through the use of permanent papers. They will have negative impacts on the economic health of a large segment of the printing industry, including minority-owned small disadvantaged businesses, and there will also be negative impacts on GPO's personnel. These impacts are discussed in this statement.

Mr. Chairman, GPO is transitioning successfully to electronic information technologies. But ink-on-paper formats will continue to be used by the Government for the foreseeable future for a variety of purposes, including the achievement of economies of scale in information dissemination and to assure equity of public access to critical information products. While we must continue to push GPO toward new frontiers in electronic dissemination, the Government cannot afford to let go of its efficient and effective system for providing printing products to the public. This system needs to be retained and improved, not disestablished. The NPR is attempting to make a systemic solution to what are really operational problems. We have the means to address those problems effectively within the current system, and GPO is willing to utilize additional means if they would be helpful.

National Performance Review Recommendations

The NPR recommendations come to us from two report drafts; the final report on GPO still has not been released. They recommend that Congress end its control over executive branch printing, that agencies be permitted to handle their own printing, and that GPO should compete with other Government agencies and the private sector for printing contracts. They also recommend that information distribution to depository libraries, a task now performed by GPO's Superintendent of Documents, be performed instead by the agencies themselves, and that other GPO distribution functions be similarly restructured in the executive branch. We have seen no quantitative analyses supporting these concepts.

Under the most recent NPR draft, the responsibility for executive printing would be transferred after two years. Printing orders valued at \$2,500 or less, however, would be transferred immediately (this provision was included in title XIV of H.R. 3400 as introduced in the House in October 1993). These orders represented 87 percent of the orders processed by GPO in FY 1993. The establishment of a dollar value for printing orders, which would be used to determine whether orders are produced by the agencies or GPO, raises an interesting question. A printing order includes the costs for the production of the job requisitioned by the ordering agency. It would also include the costs for additional copies requisitioned by other agencies and by GPO's Superintendent of Documents for the sales, depository library, and other programs. This can be particularly significant when the Superintendent of Documents orders, or "rides" the agency requisition for, more copies than are ordered by the agency. Under the NPR, at which dollar value--the cost of the job ordered by the agency, or the total cost of the job required by the Government--would the determination be made on where the job is produced?

In addition to the transfer of orders worth \$2,500 or less, all responsibility for producing or procuring photocopying jobs, regardless of volume, would be transferred. The overall effect of the NPR, therefore, would be to remove the majority of printing work from GPO immediately. The provision to allow GPO to "compete" with agencies and the private sector for printing jobs would make sense except for the fact that GPO already contracts out 75-80 percent of all printing. This recommendation in effect would put the Government in direct competition with the private sector to provide goods and services that the private sector has already demonstrated it can produce at economical prices.

"Monopoly" Characterization is Inaccurate

The NPR's recommendations are targeted at ending GPO's so-called "monopoly" on Government printing. This issue needs to be addressed head-on. A monopoly confers on an organization the means to exercise exclusive control over the provision of a specific commodity. GPO cannot be accurately characterized as exercising this kind of control over Government printing.

1. Organization of Government Printing

GPO is not the only organization providing Government printing. Indeed, there are over 200 printing plants operated by other Federal agencies under the authority of Title 44 of the U.S.

Code, the same printing law under which GPO works. Some of these are quite large; for example, recent data indicates that Defense Printing Service plants produced a higher dollar amount of printing inhouse in FY 1993 than GPO. In addition, agencies operate a substantial number of other printing and duplicating facilities. Finally, Title 44 and other legislation (section 207 of the Legislative Branch Appropriations Act) contain provisions for agencies to contract for their own printing below a certain dollar level, and there are also a number of agencies that are authorized by law to perform their own printing.

The problem today is not that there is too much centralization in Government printing; there is too much decentralization, leading to inplant printing and duplicating overcapacity throughout the agencies and the loss of economies of scale. The NPR favors decentralization of printing, but this increased decentralization will only aggravate the current overcapacity problem.

2. Competitive Procurement Program

Exclusive control over printing prices is denied to GPO in the area of printing procurement. Approximately 75-80 percent of the total dollar value of all printing obtained by the Government through GPO is performed by the private sector. The prices of the work performed by thousands of commercial printers for GPO are determined by the competitive forces of the marketplace, not by GPO, which adds only a marginal surcharge to cover the costs of procurement services. About 85 percent of all executive branch printing sent to GPO is purchased from the private sector, subjecting the vast majority of all Government printing to intensely competitive economic forces rather than any kind of monopolistic control. Moreover, most printing procurements are conducted through direct deal term contracts, permitting agency order placement with the printing contractor. GPO's procurement program thus provides a centralized procurement authority utilizing a decentralized service infrastructure, allowing agency requisitioners to control the vast majority of their printing needs from the point of origination.

3. GPO Prints to Customer Requisition

GPO's mission is to fulfill the customer's printing needs. To do so we provide a capability to produce over 100 different products and services ("books" alone constitute only one such product category), and we maintain an extensive equipment line, a highly trained production and procurement workforce, a master bid list of a vastly diversified range of printing providers in the private sector, and specialists in marketing, sales, and other Government information mechanisms to help meet agency printing and dissemination requirements. The capability to provide such a diversified range of products and services--regardless of how uneconomical some of these capabilities may occasionally be to maintain--is not the hallmark of a monopoly, which typically bends customer demand to suit its needs.

The restrictions on printing that we do observe (e.g., limitations on colors, types of printing papers, illustrations, etc.), are in place as economy measures to limit the expenditure of public funds to categories and styles of printing that are most efficient and cost-effective. Certainly there are differences of opinion about printing styles and methods of presentation, but in most

cases these opinions can be accommodated under the current printing guidelines and we are always willing to discuss new printing concepts and styles. However, experience has also demonstrated that the vast majority of Government information can be effectively conveyed and disseminated under the existing guidelines.

4. Requirements of GAO Report Have Been Fulfilled

In referring to GPO as a "monopoly," the NPR cites a September 1990 General Accounting Office (GAO) study, "Government Printing Office: Monopoly-Like Status Contributes to Inefficiency and Ineffectiveness" (GGD-90-107). At the direction of the JCP and the House and Senate Subcommittees on Legislative Branch Appropriations, GPO developed an action plan to address each specific recommendation offered by GAO in the report. The GAO tracked our progress in addressing the recommendations and routinely reported on that progress to GPO and the JCP. In 1993 we completed action on all recommendations contained in the report and were advised by GAO in a letter dated October 20, 1993, that no further reporting relevant to the 1990 study would be necessary. This action indicates to me that the matter is settled. Efforts to continue utilizing the 1990 report for purposes other than addressing its specific recommendations are simply not a fair use of this document.

NPR: Impact on the Cost of Printing

Much more than a printing system, GPO is a system for controlling printing costs through maximizing economies of scale in inplant production and printing procurement operations. To disestablish this cost control system is to forfeit the opportunity for achieving real economies in Government printing.

The most important feature of the NPR is the removal of executive branch printing from GPO. This proposal alone is a prescription for significantly increased Government costs. Proponents of this proposal, as contained in title XIV of H.R. 3400 as introduced, have claimed it would save the Government approximately \$30 million. Instead, this proposal would cost the Government millions of dollars every year and lead to significant duplication and waste in Government printing.

1. Agency Inplant Printing Costs

Under the NPR, agencies would be permitted to obtain printing from their own inhouse plants. If they exercise this option, however, the efficiencies made available through GPO would be lost. Repeated studies have shown that it is more economical for the Government to procure printing from the private sector through GPO than to produce it in agency plants, with most agreeing that agency-produced work costs twice as much as GPO-procured printing. Thus, under the NPR, the cost of Government printing could double. In FY 1993, GPO procured \$530 million in printing for agencies. Under the NPR, that cost could climb as high as \$1.1 billion.

2. No Savings of Procurement Surcharge

If agencies choose to procure the work themselves from the private sector, they will also pay more. The NPR implies that agencies can save the 6 percent surcharge GPO assesses for procurement services by doing the procurements themselves. (It also refers to the 9 percent surcharge for rush work. In reality this surcharge is not frequently used since most rush requirements can be handled under normal operating processes. In addition, the costs for rush work are usually reflected in higher contractor charges and can be recovered adequately with the 6 percent surcharge.)

The surcharge covers all GPO costs for drafting specifications and bidding, awarding, and administering contracts (including reviewing the past performance of printing contractors), plus all other associated work, including paying the contractors and billing the agencies. Other services covered are the provision of legal advice and the operation of the GPO Board of Contract Appeals. GPO can cover the cost of all these services with only 6 percent because of the volume of procurements it handles from throughout the Government: approximately 250,000 orders in FY 1993.

According to printing industry sources, for even the largest agencies a minimum surcharge of at least 12 percent, or double the current rate, would be required to cover the same costs. In FY 1993, GPO earned \$28.2 million on the surcharge for procured printing. If agencies were to procure printing themselves, they would not save these funds. Instead, assuming the accuracy of the industry's 12 percent surcharge estimate, they would pay \$56.4 million in contract award, administration, and associated costs.

3. Reduced Competition Would Increase Printing Costs

If agencies procure printing themselves, they would pay more for the work they buy because they would not be able to obtain the same level of competition among private printers that GPO achieves. According to printing industry sources, there are at least 42,000 printing firms in the United States. Over 10,000 of these firms, or about a quarter of the Nation's private printing industry, are listed on GPO's master bid list according to their equipment, staffing, and production capabilities. It would be very difficult for every printing entity in the Government (represented by approximately 4,500 GPO billing address codes distributed among more than 135 different departments, bureaus, and agencies) to maintain individual printing procurement systems large enough and sophisticated enough to obtain the same level of competitive printing procurement that GPO achieves. The resulting decrease in competition would result in higher printing prices to agencies. It could also lead to "sweetheart" deals and other corrupt arrangements, an evil that GPO was created specifically to prevent.

4. Private Sector Printing Costs Would Increase

Another factor could also lead to higher printing prices for the Government if agencies procure work themselves: to pursue printing contracts among 4,500 printing entities in 135 agencies, private sector printers would have to take on additional sales staff and other costs that are not necessary when printing jobs can be located at GPO as a central source. Printing industry sources have estimated that this factor, when added to the increased costs that would be incurred through the reduction in competition for contracts, could lead to price increases of as much as 25 percent in Government printing. This means that in addition to the 12 percent add-on agencies would assume to defray printing procurement contracting costs, they would pay an additional \$132.5 million for more costly private sector printing, based on FY 1993 data.

5. Congressional Printing Costs Would Rise

Finally, the removal of executive branch printing from GPO would raise the cost of Congressional printing. In FY 1993, GPO produced \$80 million of Congressional printing in the Central Office plant. GPO also produced \$100.4 million of agency printing in the Central Office plant. Taking in agency printing helps keep Central Office plant equipment and personnel productive during periods of reduced Congressional workload. In addition, GPO's overhead costs, including costs for a number of activities that are not related to printing but which are either statutorily mandated or administratively necessary, are spread among all work produced in the plant, agency as well as Congressional work.

If all agency work were performed in the executive branch, GPO's costs for idle plant and equipment and overhead would have to be allocated among a pool of \$80 million generated by Congressional printing only, rather than among \$180.4 million worth of Congressional and agency work. While a portion of GPO's plant and overhead structure conceivably could be downsized following the removal of agency printing, the effects of this downsizing would be limited: GPO would still require an Equal Employment Opportunity office as well as an Inspector General operation, a Personnel service, a financial management system, and so on.

In addition, a sizable portion of the production workforce and equipment would still be required. For example, the Congressional Record is printed on the same presses as the Federal Register; this workforce and equipment would remain, although their workload would be cut in half. To fully recover the costs of idle production resources and overhead, therefore, Congressional printing charges would have to increase substantially, more than doubling.

Other Printing Impacts of the NPR

In addition to increasing costs, the NPR would have a number of other impacts on Government printing.

1. Printing Standards and Quality Assurance

With a unified production and procurement program, GPO can assure compliance with Government printing standards and a standard quality system, known as the Quality Assurance Through Attributes Program (QATAP). This system, which GPO developed, is unique in the printing industry for its capability to establish and then test for a precise, quantifiable printing quality level. GPO has the technical capability to make this system work through its Quality Control and Technical Department, and also to test materials such as paper and inks. Individual agencies would find it difficult and expensive to establish similar capabilities throughout the Government. Without standardization and a mechanism for monitoring quality, Government printing standards and quality would suffer.

2. Use of Recycled Paper

Without a unified printing and printing procurement authority, it would be extremely difficult to enforce the President's recent Executive Order on recycling. GPO is the largest single consumer of printing and writing papers in the Government, and since 1989 has been operating under guidelines established by the JCP that require the purchase of recycled paper for virtually all Government printing. These guidelines are more comprehensive and require a greater utilization of recycled content than do similar guidelines in the executive branch. With the JCP, GPO played a significant role in the development of Executive Order 12873, "Federal Acquisition, Recycling, and Waste Prevention" (October 20, 1993), and has pledged to implement its provisions in advance of the due dates required in the order. However, without GPO's capability to demand recycled content in high volume paper purchases, and with responsibility for executive branch printing dispersed throughout over 135 agencies, achieving and enforcing the continued use of recycled paper in Government printing would pose substantial problems.

3. Use of Alkaline and Permanent Papers

It would also be extremely difficult to enforce the increased use of permanent paper to prevent the deterioration of valuable Government documents printed on acidic papers. The JCP and GPO, along with the National Archives and the Library of Congress, have attacked this problem through a plan developed by GPO to increase the use of alkaline and permanent papers. Without the continued ability to enforce this plan through GPO's unified printing and printing procurement programs, executive agencies are likely to utilize increased amounts of acidic papers. Such papers are especially detrimental to the preservation of Government documents having enduring research and educational value. To offset this development, depository libraries and other recipients of Government publications would have to spend more on document preservation efforts. In addition, Congress may have to appropriate increased funding for diethyl-zinc deacidification, a program operated by LOC to deacidify important Government books and documents in LOC's collection, at a cost of approximately \$5 per volume. This would substantially increase costs to the legislative branch.

4. Use of Vegetable Printing Inks

Another impact of the NPR would be on printing inks. If executive branch printing were dispersed throughout the agencies, the Government's use of increased amounts of vegetable inks, which has been proposed and approved by the Senate in S. 716, the Vegetable Ink Printing Act of 1993, would be difficult to achieve. Increased use of these inks from renewable vegetable sources is a sound plan to decrease dependence on foreign oil and produce more environmentally sensitive printing products. Under the decentralized system of printing recommended by the NPR, however, it would be difficult to ensure the increased use of vegetable printing inks that would be required by S. 716.

5. Impact on the U.S. Printing Industry

The NPR's proposals would have a negative impact on the U.S. printing industry, which works closely with GPO in performing Government printing. According to printing industry sources, the 42,000 U.S. printing firms employ 808,600 workers, an average of 20 employees per firm, making the printing industry one of the largest elements of the Nation's small business sector. The 10,000 printing firms registered with GPO represent approximately 200,000 employees nationwide. Like most small businesses, many of these firms operate on a narrow profit margin. A reduced private sector workload resulting from a greater retention of agency work for inhouse production, or increased private sector costs resulting from the pursuit of printing contracts from multiple sources rather than GPO's single source, would seriously jeopardize the financial stability of many of these small businesses and the thousands of people they employ. In addition to slowing economic growth and increasing social costs from unemployment and public assistance, losses of businesses due to the NPR's recommendations would also be likely to reduce the competitive capability of the industry and lead to further cost increases for Government printing.

6. Impact on Small Disadvantaged Businesses

Another impact would be on printing firms categorized as small disadvantaged businesses (SDB's), owned by minorities. Since FY 1989, pursuant to the Defense Authorization Act, GPO has set aside a percentage of Department of Defense (DOD) printing contracts for competitive procurement from SDB printing firms. We have also administratively included at least one SDB firm on each GPO solicitation for bids. These efforts have operated successfully, providing cost effective, timely, and quality products to serve the printing needs of DOD and other Federal agencies while increasing opportunities for business development and economic growth in the minority community. Under the NPR proposals, there is no assurance that the SDB printing community would be similarly targeted.

7. Impact on GPO Personnel

There would be a highly negative impact from the NPR proposals in GPO personnel, particularly in the equal employment opportunity area. As a percentage of its total workforce, GPO has one of the best records in the Federal Government with respect to minority employment (43 percent of GPO's employees are minorities) and employment of disabled persons (7 percent). In addition, GPO is one of the largest minority employers in the District of Columbia, as well as the largest manufacturing facility in the District, making it a key to providing manufacturing employment to the minority community. The changes proposed by the NPR could result in the loss of thousands of jobs at GPO, or the transfer of these jobs to significantly different positions or locations.

NPR: Impact on Information Dissemination

Drafts of the NPR report indicate that the distribution of Government publications to depository libraries would be left up to the issuing agencies, rather than performed by GPO. (Ironically, the Administration's information policy, established by OMB Circular No. A-130, "Management of Federal Information Resources," requires agencies to disseminate information to depository libraries through GPO.) In addition, the drafts recommend expanding the National Technical Information Service (NTIS) gateway locator for public access to Federal information as well as the "creation of one-stop-shopping for the sale and distribution of Federal documents."

Unfortunately, the net impact of these recommendations, in concert with the recommendations on printing, would be to disestablish the efficient linkage between the production and dissemination of publications that exists in GPO's unified structure, and which ensures a far more comprehensive system of information dissemination than would otherwise be possible. The Superintendent of Documents (SuDocs) works directly with GPO's printing and binding operations to select publications directly from the production process for inclusion in documents dissemination programs. Without this system, the public, which depends on GPO as a primary source of Government information through the depository library program, the sales program, and other programs, will see its access to a critical information resource disappear. To maintain an equivalent system of public access under the recommendations of the NPR would require a significant increase in funding.

1. Depository Library Program

The linkage of the production and dissemination functions makes possible one of the most unique systems in the world for the dissemination of Government information: the depository library program, which ensures free access by the public nationwide to the comprehensive body of publications published each year by the Government. In FY 1993, this program distributed 26.7 million copies of 76,400 Government titles in print, microform, and electronic formats, each at an average printing, cataloging, and distribution cost of approximately \$1.00.

The publications were distributed to approximately 1,400 depository libraries around the Nation. Most of the libraries have been designated as Federal depositories by Members of Congress. The majority are academic and public libraries which are used heavily by students and other

researchers, making the depository library program a key component in the Nation's educational system. The libraries are utilized by an estimated 167,000 persons each week.

The depository library program, along with GPO's other statutory distribution programs- cataloging and indexing, statutory distribution, and distribution to international exchange libraries- cost the Government \$29.1 million to operate in FY 1993. Under the recommendations of the NPR, however, these costs could triple. The increased costs would arise from the need to fund additional personnel in each of the agencies, bureaus, offices, and other entities that issues Government publications to perform depository duties, and increased costs of depository printing. They also would be attributable to the increased cost of distribution that would be incurred through the loss of the economies of scale that GPO utilizes in depository distribution. Under GPO's depository distribution system, publications from multiple agencies are combined into single shipments, which receive economical private sector shipping rates. Individual agencies would lack the capability to combine shipments and instead rely on single shipments that would be far more expensive, even if the minimum USPS 4th class rate were used. In addition, agencies are more likely to ship hard copy formats, rather than utilizing microform formats as GPO does, since individual microform conversion contracts would be expensive.

Overall, executive branch costs for depository printing could increase from nothing today to \$15.4 million annually; approximately 400 additional executive branch personnel, at a cost of \$16.2 million annually, would be required to perform depository duties throughout the hundreds of publishing entities in the Government; and executive branch distribution costs could rise from nothing today to approximately \$29.3 million annually. These costs would be incurred by the Government in addition to legislative branch depository distribution costs and the costs of performing other statutory distribution programs. This higher price is what would have to be paid to ensure that Government publications continue to be distributed to depository libraries under the system envisioned by the NPR. Otherwise, the program would be likely to break down as the incidence of "fugitive documents" increases, and a major avenue of public access to Government information would be lost.

2. GPO Access System

Part of this breakdown would involve the GPO Access system, which is currently being developed pursuant to P.L. 103-40. This landmark legislation was passed by Congress and signed into law by President Clinton in June 1993. With this legislation, GPO is required to provide a system of online access to the Congressional Record, the Federal Register, and other appropriate publications; maintain an electronic directory of Federal electronic information; and operate an electronic storage facility for Federal electronic information; and make the information available to depository libraries free of charge. The first phase of this system is scheduled to be operational by June 1994. However, without significant agency input into the GPO Access system, which would be achieved by electronic linkage of the system with either GPO-based or agency-based electronic databases, its usefulness to depository libraries would be limited. This limitation would adversely affect the national information infrastructure.

3. Sales Program

There would be similar negative impacts on GPO's sales program. Despite the recommendations of the NPR regarding "one-stop-shopping" for Government publications, these proposals would seriously damage the current system of one-stop publications shopping operated by GPO. The sales program offers thousands of titles for sale at an average cost of under \$10.00 per copy, with many costing far less, through 23 bookstores nationwide and a nationwide mail order effort. This system is completely self-funding; GPO receives no appropriations for the sales program. The prices of books sold through the program are set according to a single statutory formula based on recovering all program costs.

Under the recommendations of the NPR, GPO would not be able to offer the range of titles currently offered for sale because it would not be the producer of those publications. The publications instead would be sold by the issuing agencies, which would set sales prices according to pricing criteria and authorities varying widely from agency to agency. In addition to having to pay widely differing prices, the public would find the business of simply locating the publications they seek extremely confusing, since they would lose the convenience of GPO's one-stop shopping resource. The NTIS' locator may not be helpful in finding these publications since it, like most locators under discussion today, would likely serve as a locator to other agency locators, rather than to specific titles. The result of these developments would be confusion and higher costs in the Government's primary information sales program.

H.R. 3400 As Passed by the House of Representatives

H.R. 3400 as introduced was not passed by the House of Representatives despite its conformance to the draft NPR's recommendations. Instead, title XIV was removed by the Committee on House Administration and substituted with another proposal. This proposal would have transferred all GPO printing and printing procurement operations to the executive branch (including the responsibility for Congressional printing). It would have transferred all SuDocs operations to LOC. It would also have closed or downgraded all agency printing operations in addition to making a number of other procedural changes. In the Rules Committee this substitute language was amended to leave all GPO printing and printing procurement operations in the legislative branch and guarantee that the bargaining rights of SuDocs employees transferred to LOC would remain in effect. The amended title XIV was passed by the House, along with the rest of H.R. 3400, in November 1993.

With respect to the treatment of executive branch printing, there is a difference between the NPR and H.R. 3400 as introduced, on the one hand, and H.R. 3400 as passed on the other. The former would divest GPO of all responsibility for executive branch printing and lodge that responsibility in the agencies. This kind of divestiture would have profound impacts not only on printing but on the dissemination of printed materials. Under H.R. 3400 as passed, however, the responsibility for all printing would remain with GPO, ensuring the continued achievement of economy and cost-effectiveness in both executive and Congressional printing. However, H.R. 3400 as passed would still break the link between production and distribution at GPO by transferring SuDocs to LOC. While the consequences of this transfer are likely to be less costly than under the NPR, there are drawbacks to this proposal that need to be considered. In addition, while I

wholeheartedly endorse the proposal to bring agency inplant operations under control, there are other concerns with this legislation that require additional evaluation.

1. Separation of Production and Dissemination

The most significant drawback is that printing and dissemination would be split between two separate agencies, with the resulting requirement for increased administrative measures--and potentially costs--in the relocated SuDocs operation to ensure a comprehensive review of all publications for selection in dissemination programs. In its recent study of the impact of absorbing the SuDocs operation, LOC found that the desirability of divesting the Government's dissemination function from the production function remains an unsettled issue.

2. No Cost Savings Projected

The soundness of the proposal to divest dissemination from production is also called into question by the fact that no cost savings are projected to result from the transfer. In the report accompanying title XIV of H.R. 3400 as approved by the Committee on House Administration, the Congressional Budget Office (CBO) found "no cost impact" as a result of the SuDocs transfer. This indicates there is no positive cost/benefit ratio to justify the transfer, particularly in view of the number of negative findings contained in LOC's recent study. For example, the transfer introduces into LOC a large, warehouse-based dissemination operation that is outside the experience of LOC and the scope of its primary mission to serve Congress. The addition of 900+ employees would overburden LOC's existing human resources and financial systems, and introduce a new labor-management arrangement (bargaining rights for wages, hours, and working conditions) that is outside the scope of LOC's labor-management system. LOC currently lacks the physical capacity to house the SuDocs operations, raising the possibility of significant job relocations for large numbers of SuDocs employees.

Beyond these administrative disadvantages, the LOC report does not indicate any specific program advantages to the transfer. Indeed, the report generally indicates that LOC would not be able to provide any better tools to address the major challenges confronting SuDocs operations today--expanding electronic dissemination, improving operations with limited funding, and meeting the rising expectations of Government information users--than are currently available to GPO.

3. Impact on Remaining GPO Operations

The LOC report only addresses the impact of the transfer on LOC operations. It does not examine the impact on those GPO operations left behind. There are indications that this impact could be substantial. For example, with the transfer of SuDocs operations, the loss of its revenue generating capability (\$112.1 million in FY 1993, or about 14 percent of GPO's total revenues) would mean a reduced capability to recover GPO's overhead costs. The result would be an increased overhead expense distributed to printing performed or procured by the remaining GPO organization, with the increased cost recovered by rate increases to printing customers, including Congress and the relocated SuDocs.

4. Provision to Close Agency Plants

Section 14005 of H.R. 3400 as passed by the House includes a provision to bring agency inplant printing operations under control by reducing and eliminating most of them. The printing performed by these plants would be transferred to GPO for procurement from the private sector. I support this sound proposal. It would substantially reduce the cost of Government printing by restoring economies of scale through the elimination of inplant overcapacity in Federal agencies. In addition, it would provide for a wide variety of other program enhancements such as greater use of recycled paper. The beneficial effect of this proposal would be even greater if SuDocs were not transferred out of GPO, since it would significantly reduce the incidence of "fugitive" documents in the depository library program (documents that belong in the program but which fail to be included) and generally restore proper management to Government printing and publications dissemination. However, in order to be truly effective in the reduction of non-economical agency printing production operations, this proposal needs to be broadened to apply to duplicating facilities and other agency capabilities that produce printing outside of a formal "printing plant" setting.

In addition, this provision would be workable only if it is put into effect through appropriate enforcement measures, such as the loss of appropriated funds for agency plants targeted for closure. Unfortunately there is no enforcement authority in the bill for this action. The Defense Printing Service has been operating and expanding inhouse printing capabilities for the last couple of years in spite of the objections of the JCP and other Congressional committees (in addition to objections from printing operations in the other military service branches). The General Services Administration and the Federal Prison Industries of the Department of Justice have also been expanding their operations despite Congressional objections. These cases demonstrate that Congress will need stronger enforcement authority to bring about economy in agency printing operations than the language currently in H.R. 3400.

5. New Treatment for Government Publications

Finally, section 14003 of H.R. 3400 as passed by the House could have major impacts on established Government information dissemination mechanisms, including the relocated SuDocs operation. This section mandates the availability of all Federal publications "throughout the Government to any department, agency, or entity of the Government for use or redissemination." According to the Committee on House Administration report, this provision "states as a matter of policy that publications that are required to be made available to Congress shall also be made available to other Government agencies at no cost and without restriction."

Under current law, agencies requesting publications from issuing agencies must either "ride" the requisition for printing and pay the marginal costs of printing and binding, or pay the sales price of publications obtained from the SuDocs sales program. Under section 14003, however, the requesting agency would be entitled to any number of publications it wants "at no cost," and for any purpose. This could be disadvantageous to established dissemination programs, such as SuDocs, which could not only be required to transfer their publications at no charge to requesting agencies, but transfer them without compensation to other Government dissemination programs which could then redisseminate them. These observations, of course, are directed toward the

impact of section 14003 on printed publications; the impact of this section on electronic agency databases would be even more disadvantageous. Without further refinement, this provision could lead to a lack of accountability and uncontrolled growth in the cost of publications published for dissemination.

Legislative Recommendations of the Senate Members of the Joint Committee on the Organization of Congress

I have also reviewed the legislative recommendations of the Senate Members of the Joint Committee on the Organization of Congress that pertain to GPO. These provisions would abolish the JCP; transfer former JCP duties and responsibilities to the Public Printer; establish three deputy public printers, one each for the legislative, executive, and judicial branches; require new reporting requirements on Federal printing; and transfer the responsibility for producing printing orders worth \$1,500 or less from GPO to the agencies. The legislation would also repeal GPO's permanent authorization and sunset GPO's statutory authorities and programs every 8 years.

1. Abolishment of the JCP

If Congress is to continue to vest the primary authority for information dissemination to the public in the legislative branch, where it would be under the close observation of the representatives of the people, there is a real need for a legislative body to oversee information policy and counterbalance the vast range of information policy expertise available to the executive branch. Along with the respective information policy oversight committees in each house, the JCP serves this function.

If Congress decides there is a compelling reason to abolish the JCP, it will still need to retain the policymaking functions currently performed by the JCP. The standing committees with information policy oversight could perform this function to an extent. This purpose could also be served well by the House-proposed Joint Committee on Information Management and Resources. At the same time, if Congress wishes to divest itself of the administrative functions performed by the JCP, such as approving paper contracts and other functions, these could be placed in the Public Printer. It is important, however, that Congress retain the policymaking functions performed by the JCP.

2. Designation of Three Deputies

The proposal to designate three deputy public printers is apparently designed to address certain separation of powers questions regarding GPO and provide GPO with representative viewpoints of the customer groups we serve. However, there appears to be little justification for creating three Executive Schedule IV positions where one is sufficient. This is particularly true of the position of deputy for the judicial branch, whose responsibilities would be minimal because judicial printing makes up such a proportionally small amount of GPO's workload, but who would draw a salary commensurate with the legislative and executive deputies. This organizational scheme would also present a new range of administrative difficulties. For example, GPO's Central Office plant produces legislative, executive, and judicial branch

printing, frequently on the same equipment. With three deputies, who would get preference for a single piece of equipment, particularly in the case of competing "hot" jobs?

The concept of bringing customer viewpoints closer to the management of GPO is a good one, however. For this reason, Congress may wish to consider the establishment of a board of visitors for GPO, comprising representatives of the legislative, executive, and judicial branches, of labor and the printing industry, and from library, information industry, and other information user groups to assist in guiding GPO decisionmaking. I also think it would be helpful to constitute lower profile or collateral boards, representing similar interests, to meet regularly to alleviate operational problems such as those that are the basis of the NPR's concerns. GPO has a sound working relationship with a number of similar panels now--the Depository Library Council, the Interagency Council on Printing and Publishing Services, the Federal Publishers Committee--and this concept could be used to address a broad range of issues.

3. New Data Reporting Requirements

The Senate legislative proposal calls for the accumulation of new data on printing to be included in GPO's annual report to Congress. Cost comparisons are required for publications produced by GPO, agency publications "published" by each agency, publications "published by commercial sources that are not Federal entities under any contract with a Federal agency" other than GPO, publications procured by GPO, and publications produced under individual printing orders produced or procured by agencies. If properly gathered, analyzed, and presented, this data could provide GPO and Congress with the necessary information to closely monitor agency publications practices and activities and prevent the incidence of "fugitive" documents. However, the Senate should be aware that it will require additional staff resources to accomplish this task. Also, this proposal assumes there will be agency cooperation with its provisions when in fact there is no enforcing clause for agency cooperation.

4. Transfer of Executive Branch Printing

The Senate legislative proposal is similar to the NPR and H.R. 3400 as introduced in its requirement to permit agencies to produce or procure their own printing orders valued at \$1,500 or less (the H.R. 3400 level was \$2,500). This requirement would affect approximately 75 percent of the printing orders currently handled by GPO. As discussed earlier, there are problems associated with the establishment of a dollar-level cut-off for determining where printing is to be produced. Also, if agencies decide to print these orders inhouse, their cost would likely double. If agencies procure the orders themselves, they would not save the GPO procurement surcharge, the cost of printing would increase, and there would be negative impacts on the printing industry and GPO's employees. In addition, the loss of printing from GPO's Central Office plant operation would be likely to increase the cost of Congressional printing. Finally, the negative impacts on information dissemination discussed earlier with respect to the NPR recommendations would occur under this proposal. It is noteworthy that the CBO cost estimate accompanying the Senate bill is silent on the impact of this provision.

The Senate proposal also repeals the language of section 207 of the legislative branch appropriations act, which for the past several years has been used by Congress to affirm its

commitment to cost-effective printing by requiring the utilization of GPO's unified printing procurement program. I think at least that part of section 207 should be retained.

5. Miscellaneous Provisions

In general, we have no problem with other provisions impacting GPO in the Senate legislative proposal. GPO would of course accommodate the printing of committee attendance and voting records in the Congressional Record (section 105). GPO supports the Government-wide goals to reduce overall employment by 252,000 by 1999, and we have prepared data and plans to achieve our share of the staffing reductions discussed in section 331 of the proposed bill. GPO would also cooperate fully with any plans of the Senate to establish Member and/or committee voucher allocation systems for the use of GPO services (sections 332 and 333).

6. Sunset Provision

However, I have concerns about the proposal to repeal GPO's permanent authorization and replace it with a sunset procedure requiring the review of GPO's authorization every 8 years. If GPO's programs were of limited duration or experimental in nature, we would agree that sunset provisions would be appropriate. But there has been a longstanding consensus on the continuing nature of GPO's programs for some time. The production and dissemination of Government publications to the public--indeed, the function of informing the Nation--has been a component activity of our Government since the days of the Founding Fathers.

Sunsetting these programs would signal that these programs are no longer considered as fundamental as they once were. From an administrative viewpoint, sunseting GPO's program also has a number of disadvantages. With GPO's future authority uncertain, it would discourage GPO's investment in more productive plant and equipment, including electronic information technologies. It would also jeopardize the stability of Federal depository libraries, which depend on the consistent availability of Government publications.

Final Observations

One of the disappointments in reviewing the NPR is its apparently limited conception of GPO and the work we do. Unfortunately, the draft report seems to proceed from a concept of GPO simply as a support service wherein the provision of printing is no more complicated than the procurement of paper clips for Government agencies. If this were the case, I would agree that the NPR's proposals make sense.

But producing Government printing is not like procuring paper clips, and I do not believe that GPO can accurately be called a support service. Printing--along with electronic measures--is the means by which the Government keeps the public informed. GPO represents an organizational system which achieves that purpose in a highly practical manner. To alter or abolish that operation, without vastly compensating measures, would reduce the availability of Government information to the public. So when we talk about changing GPO and the law authorizing GPO's operations, we are not talking about a better way to supply paper clips. We are talking about

fundamentally altering the goals and objectives of our Nation's information policy: about how well--and at what cost--the Government will be able to keep the public informed.

When the Printing Act of 1895 was passed, it represented the "institutional realization of a panoply of reforms with regard to public printing," as one observer has remarked. Having standardized and professionalized Government printing with the establishment of GPO (in addition to removing it from political influence and corruption), Congress further improved Government printing by connecting it with the Government's documents distribution function. This key reform became GPO's *raison d'etre*: to serve as an efficient and effective means for providing public access to Government information.

Today that reform continues to be achieved, especially through the depository library program. No other Federal information dissemination program is as comprehensive, reaches as wide an audience, or operates on such open access terms as the depository library program. Neither can any other program claim the economies achieved by the depository library program: compared to the vast body of printing and publishing activities performed annually by Government, valued at over \$1 billion, this program manages to disseminate an enormous range of information on a budget of less than \$30 million, at an all-inclusive cost of about \$1.00 per publication. Other SuDocs programs have established comparable records of performance, again due to their linkage with a comprehensive and inexpensive source of publications and the economies of scale achieved in their operation.

It is important to understand that GPO's operations are not limited to printed publications. Making Government information in electronic formats accessible to depository libraries has been the direction followed by GPO to ensure that the public benefits established by Title 44 are not swept aside in the Government's transition to electronic information technologies. This action has been received positively by Federal agencies and the library community, and by Congress's own Office of Technology Assessment (OTA), which in 1988 published Informing the Nation, an in depth study recommending a substantial role for GPO in the provision of electronic information products and services. Late in 1993, OTA released another study--Making Government Work- which again advocated a strong electronic information role for GPO. Congress authorized GPO to disseminate Government information in electronic formats when it enacted P.L. 103-40. This law has solidified GPO's commitment to making electronic Government information available to the public consistent with its longstanding public access mission.

GPO's mission is consistent with the objectives of the Clinton Administration's information policy. This Administration has demonstrated a refreshing facility for using computers and telecommunications technologies to improve the conduct of Government and the public's access to Government information, and I applaud that, particularly coming as it does after a dozen years of Government inattention toward public access issues. The increased dissemination of Government information in electronic formats should indeed be pursued: improving our economy, sharpening our trade competitiveness, expanding our research and development capabilities, promoting educational opportunities, and a vast range of other public objectives depend on it, and GPO is fully prepared to assist the Administration in making expanded access to Government information possible.

But at this time electronic technologies must be utilized in addition to, not in place of, proven systems of Government information reproduction and dissemination, and protections must be provided for those who do not have access to computers and the other technologies necessary to make electronic access meaningful. The importance of these measures cannot be overstated. For if we are not careful about maintaining policies to provide for the efficient and equitable access of all citizens to Government information, we run the risk of turning into a Nation of information-haves and information have-nots: a Nation of information elites, armed with technology, and a Nation of the information-dispossessed, shut out by technology from access to critical information by and about Government that is essential to life in the United States today.

Mr. Chairman, whatever its faults, ink-on-paper today is still the most egalitarian of information formats. It is accessible, transportable, and economical. Under the NPR and resulting legislative proposals, however, accessibility to printed Government information products is likely to decrease while the costs of that accessibility are likely to rise. At the same time, the ongoing emphasis on information technologies will carry agencies forward to develop and improve electronic information sources and systems. The result may well be an increasingly unusable system of access to vital Government information to a sizable portion of our population.

This is not the kind of information policy that should be pursued by the Government. Mr. Chairman, the Government needs an information policy that guarantees economy and efficiency, and which encourages public access by holding down costs and promoting efficient dissemination mechanisms. The current system established by Title 44 provides these benefits, and on-going efforts at GPO to reduce costs as well as continuing progress with electronic technologies are improving on them. I am concerned that the NPR recommendations and the resulting legislative proposals will abolish them. As such I believe that the Senate should consider these proposals with the utmost caution before acting. My staff and I are fully prepared to assist you in that process.

Mr. Chairman, this concludes my prepared statement, and I would be pleased to answer any questions the Committee may have.