



U.S. GOVERNMENT  
PRINTING OFFICE

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**BRUCE R. JAMES**  
**Public Printer of the United States**

PREPARED STATEMENT BEFORE THE  
SUBCOMMITTEE ON LEGISLATIVE APPROPRIATIONS  
COMMITTEE ON APPROPRIATIONS  
U.S. HOUSE OF REPRESENTATIVES

ON THE

APPROPRIATIONS REQUEST OF THE  
U.S. GOVERNMENT PRINTING OFFICE  
FOR FISCAL YEAR 2005

WEDNESDAY, APRIL 28, 2004  
ROOM H-140, THE CAPITOL  
1:00 P.M.



Mr. Chairman and Members of the Subcommittee:

It is an honor to be here today to present the appropriations request of the U.S. Government Printing Office (GPO) for fiscal year (FY) 2005.

**2003 Results** I'm pleased to report that 2003 was an extraordinarily eventful and productive year for the GPO. With funding from the Legislative Branch Appropriations Act for 2004 and the approval of the Joint Committee on Printing, we conducted a highly successful voluntary separation incentive program that allowed us to reduce our workforce level by more than 300 positions, or 10%, yielding annual savings of \$21.7 million. Together with our efforts to shutter GPO's failing retail bookstores, which will generate savings of \$1.5 million in the first year, and the other steps we have taken to better manage our operations, our finances are being restored to a positive basis.

We have undertaken additional measures in recent weeks that will yield further financial benefits. With the approval of the Joint Committee on Printing, we are implementing another voluntary separation incentive program that is targeted at reducing an additional 250 positions, yielding an annual savings of \$16.5 million for FY 2005. This program will be financed through our revolving fund during the April – July period of this year. The Joint Committee has also approved our plan to end the financial losses at our Denver regional printing plant by closing it. Barring any unforeseen developments, these and related actions we are taking to improve efficiency and economy will allow us to complete FY 2004 at or near the break-even point, halting a decade-long pattern of year-end losses and setting the GPO on the road to sustained financial health.

**Transforming the GPO** Apart from restoring our finances, during 2003 we began the transformation of the GPO into a 21st century digital information processing facility. We carried out a broad reorganization to redirect the GPO's management, expanded our workforce development resources, began modernizing the GPO's product lines with new offerings such as Public Key Infrastructure technology, and initiated planning for the restructuring of our Federal Depository Library Program. We also improved emergency preparedness for our employees and for continuity-of-government operations. Across the board—from our customers in Congress, Federal agencies, and among the public, from the printing industry, the library and information communities, and from our employee representatives—we're getting strong support for the direction we're heading.

Transforming the GPO for the long term will require much more than the changes we've already achieved. As you may know, the General Accounting Office is concluding its congressionally-mandated study of Federal printing and information policy. The study will serve as a baseline of current operations on which we can confidently build a strategic plan for the GPO's future involving consultations with all of our stakeholders. The plan, which we have begun developing, will include recommendations for reforming the 19th century statutes comprising Title 44 of the U.S. Code, the laws that authorize our programs and operations.

Dealing with the GPO's building needs is a major transformational issue that we are also addressing. As reports in *The Washington Post*, *The Washington Times*, *Roll Call*, and *The Hill* have detailed recently, we've begun a process that we expect to culminate by 2007 in the relocation of the GPO from our aging, oversized quarters on North Capitol Street to modern, efficient facilities—preferably in the District of Columbia—that are sized and equipped to meet our needs in the 21st century. Rather than burden the taxpayers with this project, we want to investigate opportunities to finance it through the redevelopment of our current structures. In addition to benefiting the GPO and our customers, this approach will also generate significant benefits for the District. We have obtained the approval of the Joint Committee on Printing to proceed with the initial stages of this project and we will continue to consult closely with Congress as we proceed. As part of these efforts, we are seeking specific statutory approval to utilize up to \$500,000 in our revolving fund to finance the services of experts to help us in this process.

Beyond our planning and building efforts, the transformation of the GPO will require investments in new technology for collecting, processing, and distributing Government information. This will establish the GPO's leadership in using the best leading-edge digital technology in support of Congress, Federal agencies, and the public. The GPO has a vastly expanded role to play in content management, authentication of documents, meeting the challenges associated with versioning of electronic data, on-demand printing, the transfer of information from one generation of technology to the next, and the preservation of digital information in perpetuity. The 19th century is not coming back. These are the baseline services that the GPO must be prepared to provide if we are to carry out our mission effectively in the 21st century. In addition to our request for funding for continuation of services, our appropriations request for FY 2005 reflects this investment requirement, which is essential to the GPO's future and the future information activities of the customers we by law support.

**FY 2005 Request** Our appropriations request is designed to provide for the:

- Continuation of our congressional printing and binding operations at required levels
- Continuation of our document dissemination services at required levels
- Investment in GPO's future as a 21st century digital information processing facility
- Separate funding for the GPO's Office of the Inspector General
- Modernization of business practices through appropriate legislative changes

**Continuation of Services** For the Congressional Printing and Binding Appropriation, which covers printing and related services for Congress, we are requesting \$88.8 million. This is a reduction of \$1.8 million, or 2%, from the level approved by Congress for FY 2004.

For the Salaries and Expenses Appropriation of the Superintendent of Documents, we are requesting \$33 million. This is a reduction of \$1.2 million, or about 3.6%, from the FY 2004 approved level. This appropriation provides for the cataloging and indexing of Government publications, and the distribution of Government publications to Federal Depository and International Exchange libraries and other recipients authorized by law.

The reductions in these two appropriations have been made possible by reduced printing workloads, our continued application of cost-saving digital information technologies, and increased efficiency in operations, including savings from the buyout conducted in 2003.

**Investment in the GPO's Future** The most strategic of our FY 2005 requests is a proposal for \$25 million to be appropriated to our revolving fund, to remain available until expended, which will be used in carrying out a multi-year plan to transform the information technology used at the GPO in meeting Federal agency customer requirements for printed and digital documents as well as the public's increasing demand for authenticated, official Government information to be available from the Internet.

Our vision is to move the GPO forward from a predominantly ink-on-paper distributor of printing requirements to a life-cycle manager of digital Government information, electronically collecting, organizing, processing, and protecting the flow of public documents from their origination in Congress and Federal agencies through their dissemination, in perpetuity, to depository libraries and the public. To make this transformation effective, our technology plan has identified a series of initiatives that will sustain and improve the GPO's current information technology (IT) baseline; consolidate data center capabilities; modernize the GPO's IT infrastructure; reengineer the GPO's business processes to synchronize with IT capabilities; provide effective enterprise resource management; and ensure continuing IT security. This vision embraces the GPO's historic role of serving as the gateway to the Government's public documents while utilizing technologies that meet the demands of the 21st century. It will necessarily be modified by our strategic plan, the development of which will depend on the conclusions reached by the GAO's study.

The funding we are requesting today will be used to generate efficiency and reduce costs tomorrow. Already, Congress is seeing the results of investment in the GPO, as last year's appropriation to fund our buyout is already generating savings that are showing up in our reduced requests for the Congressional Printing and Binding and Salaries and Expenses Appropriations for FY 2005. As with all of our initiatives undertaken since my taking office as Public Printer, this transformation will be conducted under the oversight and guidance of the Joint Committee on Printing, the Appropriations Committees, and our legislative oversight committees in the House of Representatives and the Senate, and in consultations with our customers throughout Congress, Federal agencies, and the library and information communities.

**Office of the Inspector General** Rather than continue to finance the GPO's IG through our revolving fund, we are requesting that this function be funded annually by direct appropriations, as IG operations are throughout much of the Government. For FY 2005, we are requesting \$4.2 million and 25 full-time equivalent (FTE's) positions for this purpose.

Financing the IG through the revolving fund requires that the fees for various services be increased to reimburse this cost. A direct appropriation will alleviate that cost burden on Congress and agency customers and make our services more competitively priced. It will also provide greater independence for the IG and his staff to monitor the GPO's operations.

**Legislative Changes** In addition to our funding request, we are requesting several authorities to support our transformational efforts and further our mission:

- Extension of our early retirement and separation incentive authority, which expires at the end of FY2004. Utilized in 2003 and again this year, this authority has been extremely useful in achieving orderly reductions in staffing that are providing significant savings to GPO operations.
- Authorization to use up to \$500,000 to contract for expert services to assist us in our effort to relocate the GPO and to finance this project through redevelopment of our existing structures.
- Authority to accept contributions of property, equipment, and services to support and enhance the work of the GPO. We have improved the language we submitted last year by adding additional reporting requirements to ensure full accountability.
- Elimination of the long-outdated statutory limit of 25 percent on discounts for our sales publications. This would enable us to match current sales discount practices in the private sector and improve our documents sales practices.
- Authorization to use up to \$10,000 in our Revolving Fund to support the activities of the Benjamin Franklin Tercentenary Commission, established by P.L. 107-202. The Commission is working on ways for the Federal Government to appropriately observe the tercentenary of Benjamin Franklin's birth in 2006. The GPO's support for this important work could involve printing, mailing, travel, or associated expenses. We are deeply committed to cooperating with the Commission and its private sector counterpart, the Benjamin Franklin Tercentenary Consortium.
- An increase in our representation allowance to \$15,000 to support activities promoting the GPO.

Mr. Chairman and Members of the Subcommittee, thank you for all the support you have shown for our efforts to bring transformation to the GPO, reduce the costs of its operations, and improve the provision of our services to Congress, Federal agencies, and the public. This past year has been one of unparalleled accomplishment at the GPO, and with your support we can continue that record of achievement. I look forward to working with you and the Appropriations Committees in your review and consideration of our request. This concludes my prepared statement, and I would be pleased to answer any questions you may have.

