



**U.S. GOVERNMENT
PRINTING OFFICE**

KEEPING AMERICA INFORMED

**BRUCE R. JAMES
Public Printer Of The United States**

**PREPARED STATEMENT BEFORE THE
COMMITTEE ON HOUSE ADMINISTRATION
U.S. HOUSE OF REPRESENTATIVES**

ON THE

**TRANSFORMATION OF THE
U.S. GOVERNMENT PRINTING OFFICE
TO MEET THE DEMANDS OF THE 21ST CENTURY**

**WEDNESDAY, APRIL 28, 2004
1310 LONGWORTH HOUSE OFFICE BUILDING
10:00 A.M.**

Mr. Chairman and Members of the Committee—

I am pleased to be here this morning as you conduct this oversight hearing on the U.S. Government Printing Office (GPO) and our plans to transform its operations to meet the demands of the 21st century.

There are few posts in the Government and few Federal agencies that have stood the test of time as well as that of the Public Printer and the GPO. My objective is to uphold the tradition of the office while providing the leadership required to guide the GPO into a new era, to ensure that it remains as relevant and necessary to the information needs of Congress, Federal agencies, and the public in the 21st century as it was for the first 140 years of its existence.

The GPO's Mission. The GPO is one of the Nation's oldest and most venerable agencies, within which the official version of every great American state paper since President Lincoln's time has been produced. However, our name gets in the way of our true mission, which is ***keeping America informed*** by distributing the official information products of the Government, thereby sustaining one of the keystones of our 200-year old experiment in freedom: an enlightened public. As James Madison said:

A popular Government without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy; or perhaps both. Knowledge will forever govern ignorance: And a people who mean to be their own Governors, must arm themselves with the power that knowledge gives.

Congress moved early to establish the “means of acquiring” information that Madison spoke of, acting in 1813 to provide for the distribution of congressional and other Government documents on a regular basis to libraries and other institutions in each state for that Congress and “every future Congress.” This farsighted act was the antecedent for our Federal Depository Library Program, which today serves millions of Americans through a network of some 1,200 public, academic, law, and other libraries located in virtually every congressional district across the Nation.

Along with that program, the GPO today provides access to official Federal information through public sales served by secure online ordering, phone, fax, and mail orders, through various statutory and reimbursable distribution programs, and—most prominently—by posting more than a quarter of a million Federal titles online on ***GPO Access*** (www.gpoaccess.gov). This award-winning Web site, which provides official and permanent access to information products generated by all three branches of the Federal Government, is now a mainstay of the Federal Depository Library Program, and is used by the public to retrieve more than 35 million documents free of charge every month.

New Strategic Direction. Just as our middle name gets in the way of understanding our true mission, the nature of what we do—printing, once the world's only mass communications medium—has been eclipsed by revolutionary changes in electronic information technologies, principally the Internet. While printing will not disappear in our lifetime, its role in our lives—and in the lives of those who depend on our products and services—has been forever changed.



We are now in a period where we need to sort out what continues to belong in print and what best belongs in electronic information retrieval systems. We need to design those systems to allow the public to define their own information needs, then search against databases of information that we build to retrieve only what they need, only when they need it. Therein lies the challenge currently facing the GPO. Like every other manufacturing business in America, the GPO must reinvent itself if it is to remain relevant and viable for the future.

General Accounting Office Study. Since taking office, I have been closely involved with the conduct of the GAO's study of Federal printing and information dissemination that was ordered by the Senate in the Legislative Branch Appropriations Act for FY 2003. The findings of that study, which have been released as input to our strategic planning process preliminary to final publication in June 2004, are extremely interesting. In my view, they make three central points that underscore the need for the actions we have been taking over the past year and the direction of our planning for the future.

First, the GAO has confirmed that the GPO today is in a precarious financial position. Over the past 5 years, we sustained significant financial losses (from reductions in printing procurement revenue and revenue from documents sales and from major accounting adjustments, some of which—such as changes in future liabilities for Federal workers' compensation—have been from sources beyond the GPO's control). These losses have virtually depleted our retained earnings that ordinarily would be available for technology modernization so that additional appropriations from Congress would not be required. Coming at this juncture in the GPO's history, the modernization that is vital to our transformation is imperiled by our financial position.

To counter this development, last year we asked Congress to invest in the GPO by appropriating \$10 million to cover the costs associated with necessary workforce restructuring under retirement incentive authority established by law. This investment, which was approved in the Legislative Branch Appropriations Act for FY 2004, enabled us to carry out a buyout program that resulted in annual savings of approximately \$21.7 million from a reduction of more than 300 positions. (A second retirement incentive, funded through our revolving fund, is currently underway and will result in the reduction of approximately 250 positions, for an annual savings of an additional \$16.5 million). For FY 2005, we are requesting Congress to make an investment in the GPO of \$25 million to support technology modernization. As with last year's investment, this plan will generate increased efficiency and measurable savings.

Second, the GAO survey of 33 Federal departments and agencies found that the respondents—representing more than half of the dollar volume of the GPO's printing procurement work for the executive branch, and including the departments of Agriculture, Commerce, Education, Energy, Housing and Urban Development, Justice, Labor, State, Transportation, the Treasury, and Veterans Affairs; major elements of the departments of Defense and Interior; and several key independent agencies including the General Services Administration, NASA, the Social Security Administration, the Office of Personnel Management, and others—“were generally satisfied with GPO and its services.” The GAO found that the respondents “were also generally satisfied with the individual [GPO] organizations that provide the print products and services.” (We will work with the GAO to complete a similar survey of our congressional customers.)

While suggesting some areas for improvement that we are committed to providing, the survey clearly demonstrates the value and strengths of the service capabilities upon which we intend to continue building. Already, we have augmented those capabilities with a new package of services available under the OMB/GPO printing compact, which is nearing readiness for government-wide deployment later this year. Equally as important, the GAO survey highlights a lack of agency awareness of our ability to provide Web-based information services—including design, development, hosting, and associated digital asset management services—and to link those services with a standardized, authenticated, permanently accessible system of online public access. This finding indicates a significant growth opportunity for the GPO, one that is tied directly to our transformation to meet Government information product requirements in the 21st century.

Third, as part of its overall study, the GAO convened a panel of experts on printing and publishing technologies to discuss trends in printing, publishing, and dissemination, and the future role of the GPO. The panel recommended that the GPO develop a business plan that would focus our mission on information dissemination as our primary goal, rather than printing; demonstrate to our customers—including Federal agencies and the public—the value we can provide; improve and extend partnerships with agencies to help establish the GPO as an information disseminator; and ensure that our internal operations—including technology, how we conduct business, management information systems, and training—are adequate for the efficient and effective management of core business functions and services. All of these recommendations are part of the strategic direction we are pursuing for the GPO. The panel's work independently highlights the need for us to move in this direction. I look forward to the final publication of the GAO's study in June.

The Planning Process. The facts supplied to us by the GAO study are a valued addition to the facts we have been gathering over the past year through analysis and consultation with key stakeholders in Congress, Federal agencies, the printing and information technology sectors, the library community and the information industry, and from our employee representatives. Using all of these facts, we have begun to develop a new vision for the GPO: an agency whose primary mission will be to capture digitally, organize, maintain, authenticate, distribute, and provide permanent public access to, the information products and services of the Federal Government.

We recently began presenting this vision to our stakeholders, to date providing it to management and employee representatives at the GPO and to the library and information communities at the Spring 2004 meeting of the Depository Library Council last week in St. Louis, MO. Additional presentations will be made to our other stakeholder groups in the coming weeks.

Our strategic vision is uncomplicated and straightforward. Because of changes in information technology, the way the Government keeps America informed has changed. The GPO must not simply react to these changes, but must help lead them. This requirement has significant implications for our transformation, including the following:

- The GPO needs to take the lead in creating digital standards for official documents of the United States Government.
- The GPO must deploy the technology needed by Federal agencies and the public to gather and produce digital documents in a uniformly structured database in order to authenticate

documents disseminated over the Internet and to preserve the information for permanent public access.

- The GPO needs to work with its library partners to develop a new model for no-fee public access through the Federal Depository Library Program. The model must include a fully digital database of all past, present, and future United States Government documents, augmented database search and retrieval tools, and increased training to enable librarians to better serve the 21st century information needs of their patrons.
- The GPO needs to develop a customer service model that partners with its congressional and agency customers at effective working levels, to provide a range of support and solutions for their publishing needs and responsibilities from creation through dissemination whether in digital or printed formats.
- The GPO will need to make significant investments in workforce development in order to train its existing employees in the skills required for 21st century printing and information processing.
- In order to efficiently and effectively meet the continuing in-house printing needs of Congress and Federal agencies, and to provide for a modern information processing environment, the GPO will need to relocate to a facility that is sized and suited for its present and future requirements.

Once the presentations on our strategic vision are concluded, we will incorporate the input we receive through consultations with stakeholders and issue a final strategic plan, to be completed this summer. Then we will move to the tactical planning process, establishing timetables, budget targets, staffing requirements, equipment configurations, measurable goals, and recommended legislative changes to put our vision into action, with overall implementation scheduled for a three-to-five year time frame.

Transformation Process Begun. As critical as the strategic planning process is to our future, we have not waited to begin making essential changes at the GPO that will help move us forward. Over the past year we:

- Successfully resolved the longstanding controversy with OMB over executive printing by proposing a new compact that will enable Federal agencies to choose their own printers, using technology and support services provided by the GPO. Our hope is that the volume of printing paid through the GPO will increase at lower costs while still providing all documents for cataloging and entry into the Federal Depository Library Program. As noted earlier, we are completing the demonstration phase of this project and plan to deploy it government-wide at the beginning of FY 2005.
- With support from the Joint Committee on Printing and the appropriations committees, reduced the GPO's employment rolls by more than 20%, or more than 500 positions, adjusting our staffing levels to meet existing requirements. When FY 2005 begins, total savings from the two retirement incentive programs we conducted in 2003 and this year

will exceed \$38 million. With these achievements and related savings, we anticipate we will complete FY 2004 at or near the breakeven point, ending the pattern of losses sustained by the GPO in recent years.

- Carried out a major reorganization to streamline management and bring the GPO into line with current business practices. The reorganization was accompanied by active recruitment of a top-level executive team composed of both GPO veterans and outside experts. Along with the reorganization, we created an Office of Innovation and Technology to identify new technologies and practices that will help us move forward. The office is also working to develop associations with other public and private sector entities to carry out our mission.
- Joined with the National Archives and Records Administration (NARA) in a partnership to ensure permanent public access through *GPO Access*. This is the kind of partnership we will pursue to carry out our mission.
- Initiated the modernization of the GPO's product service lines with new offerings such as Public Key Infrastructure technology to be used in the authentication of Government documents.
- Released a new logo for the GPO that replaces the 1907 image formerly in use and conveys the modern, innovative services we provide.
- Closed the GPO's ailing retail bookstores nationwide in recognition of the public's growing preference for accessing Government information products via the Internet. This action will save the GPO \$1.5 million in the first year. We also shuttered GPO's single remaining regional printing plant, in Denver CO, due to a declining workload. The work that remains can be procured effectively through our printing procurement program.
- Began 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 will investigate opportunities to finance it through the redevelopment of our current structures.
- Modernized our payroll system through the National Finance Center, which included establishing email accounts for employees who never had them and setting up kiosk stations around our buildings to give everyone access to computers. With the kiosks, employees are able to manage their NFC accounts, use the intranet or Internet, and receive emails and employee listserv messages via Web mail.
- Implemented the first new employee incentive program at GPO in over a decade to reward creativity, dedication, and initiative; expanded our workforce development budget to \$3 million—just 1.5% of our overall budget, but 5 times the amount previously allocated—to ensure that no one is left behind as we transform our operations; and altered our workforce



development policy to emphasize training that is mission-related, not simply job-related. We have also expanded the use of digital communications internally, and created a new Employee Communications Office to provide employees with the information they need to do their jobs effectively.

- Developed a contingency planning effort dedicated to emergency preparedness, protection of our employees, and continuity-of-government operations in concert with similar planning efforts in Congress, Federal agencies, the District of Columbia, and elsewhere. We are working directly with the House and Senate to ensure continuity of operations in the event of an emergency, and we are finalizing operational improvements funded through the FY 2002 emergency supplemental.

These and other actions, in which we have had the support and guidance of the Joint Committee on Printing, the House Administration Committee, the Senate Rules and Administration Committee, and our appropriations committees, have enabled us to move ahead at a rapid pace with the changes necessary to ensure a viable future for the GPO.

GPO's Appropriations. The support of our appropriations committees has been especially helpful to our transformation process during the past year. For FY 2004, the committees recommended full funding of our request, including funding to carry out our retirement separation incentive program. For FY 2005, we are requesting appropriations 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 Inspector General; and
- Modernization of business practices through appropriate legislative changes.

Our requests for the Congressional Printing and Binding Appropriation and the Salaries and Expenses Appropriation of the Superintendent of Documents represent reductions of 2% and 3.6%, respectively, from the levels of funding approved for FY 2004. 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 this past year.

The centerpiece of our request for FY 2005 is the proposal for an investment of \$25 million to be made to our revolving fund, to be used to carry out our multi-year plan for information technology transformation at the GPO. We are also requesting funding for our Office of Inspector General to alleviate that cost burden on Congress and agency customers and make GPO services more competitively priced, and to provide greater independence for the IG and his staff to monitor GPO operations.



Our FY 2005 proposal is accompanied by a request for specific legislative changes to support our transformational efforts and further our mission:

- Extension of our early retirement and separation incentive authority, which expires at the end of FY 2004. 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 from our outdated, oversized facilities to another location in the Washington, D.C., metropolitan area, and to finance this project through redevelopment of our existing structures. We have posted an advertisement in FedBizOps seeking these services and expect to make an award in the Spring of 2004.
- Authority to accept contributions of property and equipment 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. This authority will allow us to accept the placement of prototype equipment for beta-testing and systems trials, and work with the private and non-profit sectors to develop programs that increase the visibility of the GPO, such as the creation of a printing museum.
- Elimination of the current, long-outdated limit of 25 percent on discounts for our sales publications, to 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 supporting the work of 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 Committee on House Administration, thank you for the opportunity to present you with our vision for the future of the GPO and describe the progress we have made to date. 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 this Committee as we continue to move our plans forward. This concludes my prepared statement, and I would be pleased to answer any questions you may have.