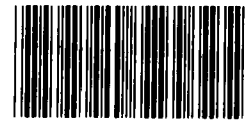


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U.S. GENERAL ACCOUNTING OFFICE
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STATEMENT OF
MILTON J. SOCOLAR
SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL
OF THE UNITED STATES
BEFORE THE
SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY
COMMITTEE ON GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
ON
THE PRESIDENT'S REORGANIZATION AUTHORITY



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Mr. Chairman, I am pleased to appear today to discuss the subject of Presidential reorganization authority and H.R. 3270.

I am including as appendix I the digest of our recent report on the Reorganization Act of 1977. In reviewing reorganizations at six agencies, we identified what seems to be a fundamental problem in the reorganization process. Substantial time and resources are always devoted to deciding what is to be reorganized; little attention is given, however, to planning the mechanics of how reorganizations are to be implemented.

The lack of early implementation planning results in substantial startup problems distracting agency officials from their new missions during the critical first year of operations. Also, without implementation data, the Congress is not aware of the full impact of reorganization requirements.

Startup problems at the six new and reorganized agencies in our review were severe. It took from 10 to 23 months to obtain key officials at two of the agencies. All six agencies experienced delays from 9 to 30 months in acquiring other needed staff. Three of the reorganized agencies did not have sufficient funds to carry out their new responsibilities and, again, all six had difficulty obtaining adequate office space during the early stages of reorganization. Finally, four of the agencies experienced delays of from 13 to 29 months in establishing administrative support functions. Obviously, much of the expected benefit of reorganization is needlessly lost or significantly delayed under these circumstances.

Many problems of implementation were left for resolution to the new and reorganized agencies. Although OMB did provide coordination and oversight during most reorganizations, these efforts, without the benefit of earlier planning, were insufficient to allow for reasonably smooth transitions. Even so, OMB cannot do the job alone.

There is need for a better mechanism to put approved reorganizations in place. This might be done through high level interagency implementation task forces with authority to obtain timely commitments from all affected Federal agencies. Such task forces should be formed early enough to participate in reorganization plan development and should include high ranking officials from OMB, the White House Personnel Office, the General Services Administration, the Office of Personnel Management, and from other agencies as appropriate.

We believe reorganization plans submitted to the President and ultimately by him to the Congress also should describe the basic administrative requirements associated with reorganizations and the plans for meeting them. To ensure that they do, we recommend that section 4 of H.R. 3270 be amended to require that reorganization plans contain a section on implementation. This section should describe the mechanism established to facilitate implementation activities and the specific actions taken to assure that, upon congressional approval, the requisite leadership, staffing, funding, office space, and administrative support functions will be dealt with expeditiously so as to implement any given reorganization on its effective date or soon thereafter.

Section 4 of S. 893, as approved by the Senate, contains language that is consistent with this recommendation. If approved by the House as well, we believe it will lead to substantial improvements in the reorganization process.

We would be pleased to work with the Committee to provide whatever additional assistance we can in connection with further consideration of this bill.