



Testimony

Before the Subcommittee on Emerging
Threats and Spending Oversight,
Committee on Homeland Security and
Governmental Affairs, U.S. Senate

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GOVERNMENT EFFICIENCY AND EFFECTIVENESS

Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits

Statement of Gene L. Dodaro
Comptroller General of the United States

Accessible Version

Chair Hassan, Ranking Member Romney, and Members of the Subcommittee:

I am pleased to be here today to discuss opportunities to reduce fragmentation, overlap, and duplication in the federal government, and help achieve cost savings and other financial benefits. GAO issues annual reports on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities.¹ As part of this work, GAO also identifies additional opportunities for greater efficiency and effectiveness that result in cost savings, improved program outcomes, or enhanced revenue collection. Opportunities exist for achieving tens of billions of dollars in financial benefits and improving a wide range of federal programs in areas such as healthcare, defense and others throughout government.

In our annual reports issued from 2011 to 2023, we have introduced 132 matters for Congress and 1,753 recommendations for federal agencies to eliminate, reduce, or better manage fragmentation, overlap, or duplication; and achieve cost savings or enhance revenues.² We found that actions from Congress and agencies in these areas had resulted in about \$600 billion in financial benefits since 2011. We also estimate tens of billions of additional financial benefits could be attained by fully implementing the remaining open matters and recommendations.

Our 2023 report we are releasing today—the 13th in this series—includes 100 matters and recommendations across 35 new topic areas for Congress and agencies to improve government efficiency and

¹Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), *codified* at 31 U.S.C. § 712 note.

²We previously identified these matters and recommendations collectively as “actions.” The count includes matters and recommendations introduced in the 2023 annual report, and those previously identified in our duplication and cost savings body of work. See GAO’s Duplication and Cost Savings web page for links to the 2011 to 2023 annual reports: <http://www.gao.gov/duplication-cost-savings>.

effectiveness.³ My testimony today describes (1) new topic areas identified in our 2023 annual report, (2) the benefits Congress and federal agencies have achieved in addressing many of the matters and recommendations we have previously identified, and (3) examples of open matters and recommendations that could yield significant additional benefits.

My comments today are based on our 2023 annual report, as well as our update on the progress made in implementing matters and recommendations that we have suggested in our previous annual reports. These efforts are based upon work we previously conducted in accordance with generally accepted government auditing standards. More details on our scope and methodology, including the definitions we use for fragmentation, overlap, and duplication for this work, can be found in the [full report](#).

New Opportunities to Improve Efficiency and Effectiveness across Government

The 100 matters and recommendations we identified span the federal government and are opportunities for Congress or federal agencies to improve government efficiency and effectiveness.⁴ In some areas, we have identified fragmentation, overlap, or duplication in government missions and functions. In others, Congress or federal agencies could take action to reduce the cost of government operations or enhance revenue collections. For example:

- Congress should reauthorize the First Responder Network Authority by 2027 to ensure the continuity of the public-safety broadband network and collection of potential revenues of **billions of dollars over 15 years**.

³GAO, *2023 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits*, [GAO-23-106089](#) (Washington, D.C.: June 14, 2023).

⁴In addition to these 100 matters and recommendations, three recommendations in two new topic areas were closed-implemented before our 2023 report was issued. The Internal Revenue Service addressed two of four recommendations associated with the COVID Employer Tax Relief topic area. The Missile Defense Agency addressed the one recommendation in the Missile Defense topic area. More information on the 103 total matters and recommendations mentioned here is available on GAO's Duplication and Cost Savings website, which includes a downloadable spreadsheet.

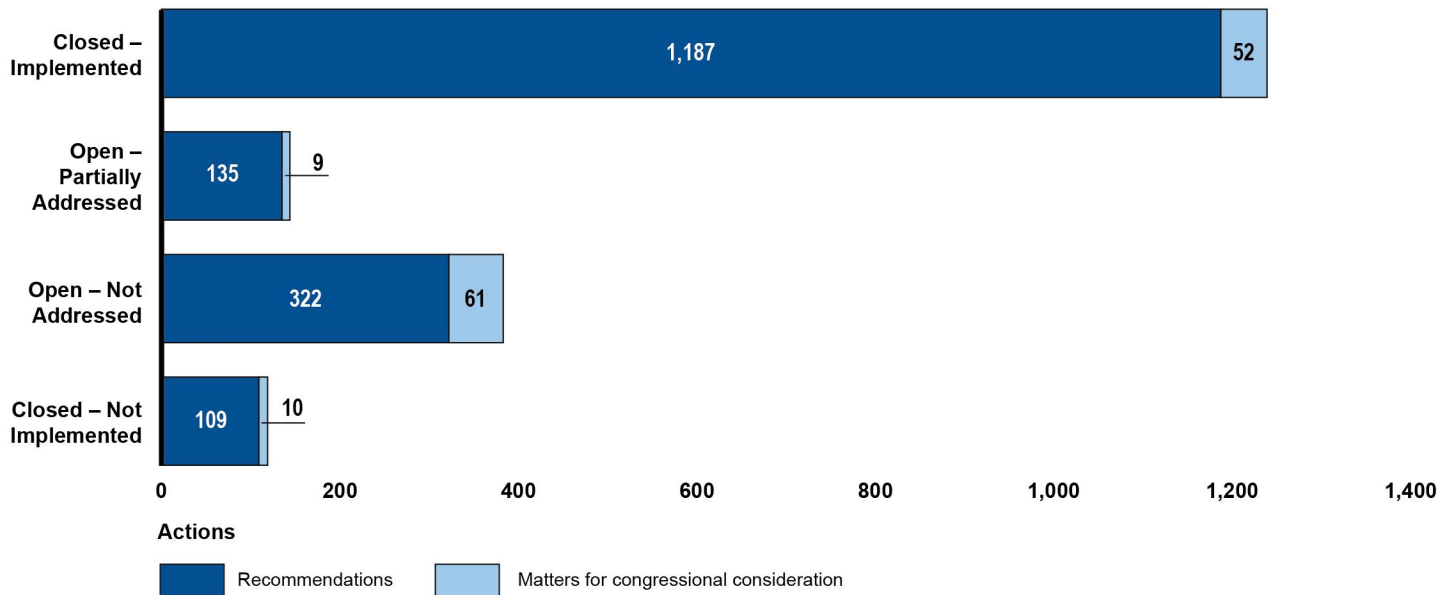
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- The Office of Personnel Management could save **hundreds of millions of dollars or more annually** by identifying and removing ineligible family members from the Federal Employees Health Benefits program.
 - Responsible federal offices need a national broadband internet access strategy and should address any key statutory limitations to better manage fragmented efforts across 15 federal agencies and more than 130 programs.
 - The Department of Health and Human Services' Administration for Community Living should identify a mechanism for nine federal programs across four federal agencies to continue sharing falls prevention information with one another and with disability organizations and providers in order to better manage fragmentation and potentially save **tens of millions of dollars annually** in related medical expenses.
 - The Internal Revenue Service should document processes used to address certain compliance risks for COVID-19 employer tax credits, and implement additional compliance activities to potentially recapture **tens of millions of dollars or more** of ineligible claims.
 - The General Services Administration could generate or save **millions of dollars** in property sales or space reduction opportunities by leveraging lessons learned to help with decision-making processes.
 - The Small Business Administration could recover **millions of dollars** by taking additional steps to identify and respond to potentially fraudulent or ineligible Restaurant Revitalization Fund recipients.
 - Congress and federal agencies could better manage fragmentation across the more than 30 federal entities involved in disaster recovery to improve service delivery to disaster survivors and improve the effectiveness of recovery efforts.

Congress and Federal Agencies Continue to Address Matters and Recommendations Identified over the Last 13 Years, Resulting in Significant Benefits

Congress and federal agencies have made progress in addressing many of the matters and recommendations we have identified in our annual reports since 2011, as shown in figure 1. As of April 2023, Congress and

agencies had fully or partially addressed 1,383 (73 percent) of the 1,885 matters and recommendations; of these, they had fully addressed 1,239 and partially addressed 144.

Figure 1: Status of Duplication and Cost Savings Matters and Recommendations, as of April 2023



Source: GAO. | GAO-23-106864

Note: These data include matters and recommendations related to our prior annual reports, from prior GAO reports not previously tracked in this body of work but that have potential financial benefits, and those newly identified in our 2023 annual report. Matters and recommendations categorized as “closed-not implemented” are no longer assessed. These are generally “closed-not implemented” when the matter or recommendation is no longer relevant due to changing circumstances.

Status of Actions	Recommendations	Matters for Congressional consideration
Closed - implemented	1,187	52
Open - partially addressed	135	9
Open - not addressed	322	61
Closed - not implemented	109	10

As a result of steps Congress and agencies have taken to address these matters and recommendations, we have identified approximately \$599.5

billion in total financial benefits, including \$46.8 billion identified since our May 2022 report.⁵

Our matters and recommendations, when implemented, often result in other benefits, such as (1) more effective government through improved interagency coordination; (2) improvements in major government programs or agencies; (3) reduced mismanagement, fraud, waste, and abuse; and (4) increased assurance that programs comply with appropriate guidance. For example:

- **Imported Seafood Safety.** In 2017, we reported that most seafood consumed in the United States is imported and about half of it is raised on fish farms.⁶ Because farmed seafood is raised in confined areas and susceptible to infections, farmers may use drugs, such as antibiotics. The use of unapproved drugs or the misuse of approved drugs may result in unsafe residues in seafood that can cause cancer or allergic reactions, according to the Food and Drug Administration (FDA), which is charged with ensuring the safety of most seafood. The U.S. Department of Agriculture's Food Safety and Inspection Service (FSIS) is responsible for ensuring the safety of imported catfish.

We reported that the FDA and FSIS independently developed drug testing methods and maximum residue levels for use in seafood. We recommended that FDA and FSIS coordinate and communicate in developing drug residue testing methods and corresponding maximum residue levels for imported seafood, including imported catfish. In response, FDA and FSIS began regularly coordinating and communicating about these issues. Through this coordination, FDA can inform FSIS of its research work, emerging issues regarding drug residue testing in aquatic animals, and the potential for future collaboration on methods; and FSIS can provide FDA any updates on current aquaculture regulatory work and agency research priority projects involving catfish. These steps can help FDA and FSIS better

⁵In calculating our total estimated realized and potential financial benefits, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits. Realized benefits have been rounded to the nearest \$100 million.

⁶GAO, *Imported Seafood Safety: FDA and USDA Could Strengthen Efforts to Prevent Unsafe Drug Residues*, [GAO-17-443](#) (Washington, D.C.: Sept. 15, 2017).

ensure they are taking a consistent approach to ensuring consumer safety from unsafe drug residues.

Action on Open Matters and Recommendations Could Yield Significant Additional Benefits

Congress and agencies have taken action on many of the 1,885 matters and recommendations we have identified since 2011. However, further steps are needed to fully address the 527 matters and recommendations that remain open. We estimate that tens of billions of dollars in additional financial benefits could be realized should Congress and agencies fully address these matters and recommendations, and other improvements can be achieved as well, as shown in table 1.⁷

Table 1: Examples of Open Topic Areas with Potential Financial Benefits

Topic area and description (GAO report number linked)	Mission	Potential benefits (Source)
*Medicare Payments by Place of Service: Congress should consider directing the Secretary of Health and Human Services to equalize payment rates between settings for evaluation and management office visits and other services that the Secretary deems appropriate. (GAO-16-189)	Health	\$141 billion over 10 years (Congressional Budget Office)
*Nuclear Waste Disposal: The Department of Energy may be able to reduce certain risks by adopting alternative approaches to treating a portion of its low-activity radioactive waste. (GAO-22-104365)	Energy	Tens of billions of dollars (GAO)
Navy Shipbuilding: The U.S. Navy could improve its acquisition practices and take steps to ensure ships can be efficiently sustained. (GAO-20-2)	Defense	Billions of dollars (GAO)
Medicare Advantage: The Centers for Medicare & Medicaid Services could better adjust payments for differences between Medicare Advantage plans and traditional Medicare providers in the reporting of beneficiary diagnoses. (GAO-12-51)	Health	Billions of dollars (MedPAC)

⁷In calculating this estimate, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These estimates are subject to increased uncertainty, depending on whether, how, and when they are addressed. This amount represents a rough estimate of financial benefits.

Topic area and description (GAO report number linked)	Mission	Potential benefits (Source)
<p>*Internal Revenue Service Enforcement Efforts: Enhancing the Internal Revenue Service enforcement and service capabilities can help reduce the gap between taxes owed and paid by collecting tax revenue and facilitating voluntary compliance. This could include expanding third-party information reporting. For example, reporting could be required for certain payments that rental real estate owners make to service providers, such as contractors who perform repairs on their rental properties, and for payments that businesses make to corporations for services. (GAO-09-238, GAO-08-956)</p>	General Government	<p>Billions of dollars (Joint Committee on Taxation)</p>
<p>*Foreign Military Sales Administrative Account: Congress should consider redefining what can be considered an allowable expense to be charged from the administrative account. (GAO-18-401)</p>	Defense	<p>Tens of millions of dollars annually (GAO)</p>

Legend: * = Legislation is likely to be necessary to fully address all actions in this topic area.

Source: GAO. | GAO-23-106864

Note: All estimates of potential financial benefits are dependent on various factors, such as whether and how action will be taken. For estimates of potential financial benefits where outside estimates of potential financial benefits were not available, GAO developed the notional estimates, which are intended to provide a sense of the potential magnitude of benefits. Notional estimates have been developed using broad assumptions about potential financial benefits which are rooted in previously identified losses, the overall size of the program, previous experience with similar reforms, and similar rough indicators of potential financial benefits.

In our 2011 to 2023 annual reports, we identified 1,753 recommendations directed to federal agencies. Of these recommendations, 457 (about 26 percent) remained open as of April 2023, as shown in figure 2.

Figure 2: Number of Open Duplication and Cost Savings Recommendations by Agency, as of April 2023

Agency	Number of open recommendations		
Department of Defense	63	32	(95)
Department of Health and Human Services	42	16	(58)
Internal Revenue Service	24	17	(41)
Department of Homeland Security	22	10	(32)
Department of Commerce	26	2	(28)
Office of Management and Budget	18	8	(26)
Other federal entities ^a	17	6	(23)
Department of Justice	13	3	(16)
Department of State	15	1	(16)
Department of Veterans Affairs	8	7	(15)
Department of Energy	11	2	(13)
Department of the Treasury	6	5	(11)
Department of Agriculture	8	1	(9)
Department of Transportation	7	2	(9)
Office of Personnel Management	8	1	(9)
Department of Education	3	5	(8)
Department of Housing and Urban Development	6	2	(8)
Department of Interior	5	3	(8)
Social Security Administration	5	2	(7)
Environmental Protection Agency	2	3	(5)
National Aeronautics and Space Administration	5		(5)
Small Business Administration	4	1	(5)
National Science Foundation	1	3	(4)
Department of Labor	2	1	(3)
General Services Administration	1	2	(3)

Open – not addressed
 Open – partially addressed
 Total open recommendations

Source: GAO. | GAO-23-106864

Note: These data include matters and recommendations related to our prior annual reports, from prior GAO reports not previously tracked in this body of work but that have potential financial benefits, and those newly identified in the 2023 annual report.

^a“Other federal entities” reflects open recommendations directed to the following federal entities: Capitol Police Board, Consumer Financial Protection Bureau, The Executive Office of the President, Federal Communications Commission, Federal Energy Regulatory Commission, Office of the Director of National Intelligence, U.S. Agency for International Development, U.S. Interagency Council on Homelessness, and U.S. Securities and Exchange Commission.

Agency	Open-Not Addressed	Open-Partially Addressed	Total Open Recommendations
Department of Defense	63	32	95
Department of Health and Human Services	42	16	58
Internal Revenue Service	24	17	41
Department of Homeland Security	22	10	32
Department of Commerce	26	2	28
Office of Management and Budget	18	8	26
Other federal entities	17	6	23
Department of Justice	13	3	16
Department of State	15	1	16
Department of Veterans Affairs	8	7	15
Department of Energy	11	2	13
Department of the Treasury	6	5	11
Department of Agriculture	8	1	9
Department of Transportation	7	2	9
Office of Personnel Management	8	1	9
Department of Education	3	5	8
Department of Housing and Urban Development	6	2	8
Department of Interior	5	3	8
Social Security Administration	5	2	7
Environmental Protection Agency	2	3	5
National Aeronautics and Space Administration	5	0	5
Small Business Administration	4	1	5
National Science Foundation	1	3	4
Department of Labor	2	1	3
General Services Administration	1	2	3

In conclusion, we will continue to identify additional or emerging instances of fragmentation, overlap, and duplication where the government could achieve greater efficiency and effectiveness. We will also continue to identify opportunities for cost savings or revenue enhancement. Likewise, we will continue to monitor the progress Congress and federal agencies have made in addressing matters and recommendations we have previously identified. We stand ready to assist this and other committees in achieving a more efficient and effective government for the benefit of the American people.

Thank you, Chair Hassan, Ranking Member Romney, and Members of the Subcommittee, this concludes my prepared statement. I would be pleased to answer questions.

GAO Contacts

For further information on this testimony or our June 2023 report, please contact Jessica Lucas-Judy, Director, Strategic Issues, who may be reached at (202) 512-6806 or lucasjudyj@gao.gov or Michelle Sager, Managing Director, Strategic Issues, who may be reached at (202) 512-6806 or sagem@gao.gov. Contact points for the individual areas listed in our 2023 annual report can be found at the end of each topic area in [GAO-23-106089](#). Contact points for our Congressional Relations and Public Affairs offices may be found on the last page of this statement.

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