



## 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

### Accessible Version

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

For Release on Delivery Expected at 2:45 p.m. ET  
Wednesday, May 15, 2024

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

I am pleased to be here today to discuss opportunities to address inefficient or ineffective fragmentation, overlap, and duplication in the federal government, and help achieve cost savings and other financial benefits. We annually report on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities.<sup>1</sup> As part of this work, we also identify additional opportunities for greater efficiency and effectiveness that would 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 since 2011, we have presented 140 matters for Congress and 1,878 recommendations. About 73 percent have been fully or partially implemented. Such actions by Congress and the agencies have resulted in about \$667.5 billion in financial benefits. We also estimate tens of billions of additional financial benefits could be attained by fully implementing the remaining open matters and recommendations.

Our 2024 report we are releasing today—the 14th in this series—includes 112 new matters and recommendations across 42 topic areas for Congress and agencies to further improve government efficiency and effectiveness.<sup>2</sup> My testimony today describes (1) new suggestions identified in our 2024 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.

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

<sup>2</sup>GAO, *2024 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits*, [GAO-24-106915](#) (Washington, D.C.: May 15, 2024).

My comments today are based on our 2024 annual report. This work was 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](#).

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## New Opportunities to Improve Efficiency and Effectiveness across Government

The 112 matters and recommendations we identified are opportunities for Congress or federal agencies to further improve government efficiency and effectiveness across the federal government.<sup>3</sup> 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:

- The Defense Counterintelligence and Security Agency should ensure its working capital fund cash balance is within its operating range, potentially saving its federal customers **hundreds of millions of dollars** through reduced prices.
- Congress and the Internal Revenue Service should take action to improve sole proprietor tax compliance, which could increase revenue by **hundreds of millions of dollars per year**.
- Agencies could save **one hundred million dollars or more** by using predictive models to make investment decisions on deferred maintenance and repair for federal buildings and structures and could save **ten million dollars or more over 5 years** by setting building utilization benchmarks to help identify and reduce underutilized office space.

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<sup>3</sup>In addition to these 112 matters and recommendations, 7 recommendations in 3 new topic areas were closed-implemented before this report was issued. The Environmental Protection Agency (EPA) and Departments of Agriculture and Interior each addressed one recommendation to their respective agencies; EPA has one remaining open recommendation associated with the Managing Risks from Wildfire Smoke topic area. The Department of State and U.S. Coast Guard each addressed a recommendation associated with the Coast Guard International Port Security Program topic area. The Office of Management and Budget and the Department of Justice each addressed a recommendation associated with the Reporting of Expired Grants topic area. More information on these 119 matters and recommendations is available in the downloadable spreadsheet on GAO's [Duplication and Cost Savings website](#).

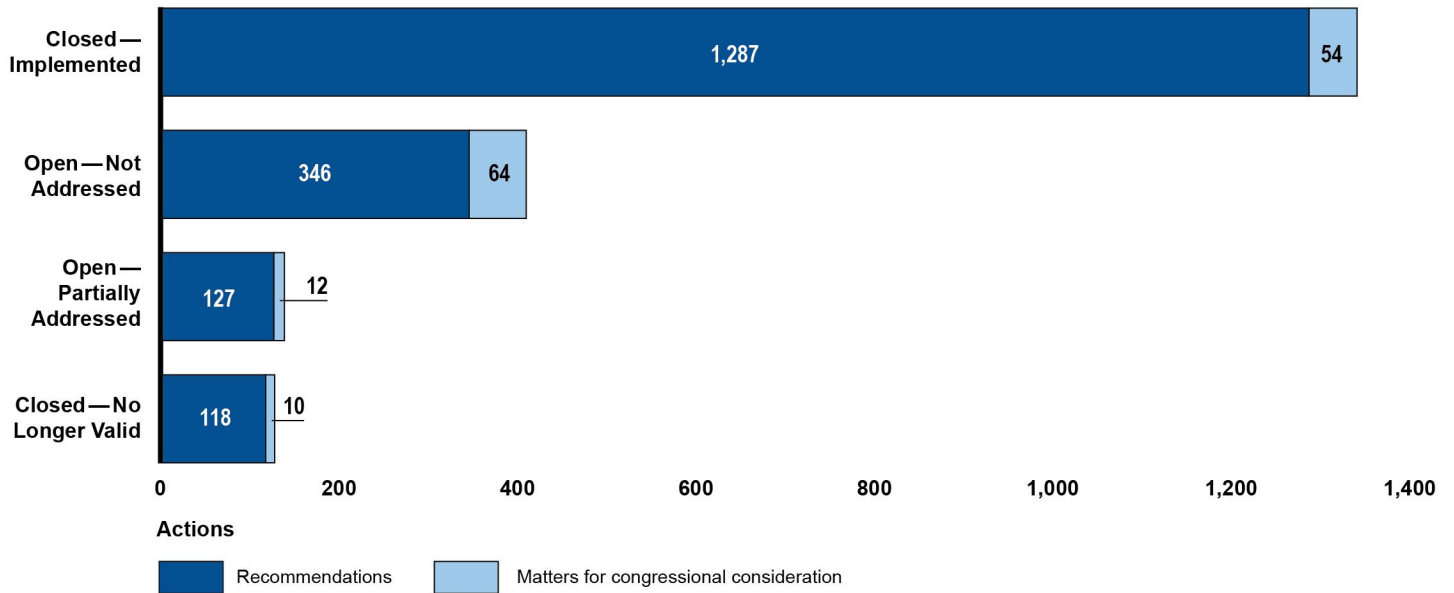
- Congress should consider taking action that could help the Armed Forces Retirement Home address financial shortfalls to reduce the risk of exhausting the trust fund that supports it and potentially generate revenue of **one hundred million dollars or more over 10 years**.
- The Department of Defense should reduce the risk of overlapping management activities and potentially save **ten million dollars or more over 5 years** in medical facility management by continuing its efforts to reevaluate its market structure and establishing performance goals.
- Congress could close regulatory gaps and seven federal financial regulators should improve coordination to better manage fragmented efforts to identify and mitigate risks posed by blockchain applications in finance.
- The Office of Science and Technology Policy should facilitate the sharing of information about identifying foreign ownership of research entities to better manage fragmentation of federal efforts to help safeguard federally funded research from foreign threats.

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## Congress and Federal Agencies Continue to Address Previous Matters and Recommendations, 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 March 2024, Congress and agencies had fully or partially addressed 1,480 (73 percent) of the 2,018 matters and recommendations; of these, they had fully addressed 1,341 and partially addressed 139.

**Figure 1: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2024**



Source: GAO. | GAO-24-107554

**Accessible Data for Figure 1: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2024**

Status of Actions	Recommendations:	Matters for Congressional consideration
Closed - implemented	1,287	54
Open - not addressed	346	64
Open - partially addressed	127	12
Closed – no longer valid	118	10

Source: GAO. | GAO-24-107554

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

As a result of steps Congress and agencies have taken in response to our work, we have identified approximately \$667.5 billion in total financial benefits, including \$71.3 billion identified in our 2024 report.<sup>4</sup> For

<sup>4</sup>In calculating these totals, 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.

example, improvements in the Small Business Administration's (SBA) oversight plans for its Paycheck Protection Program and other pandemic relief programs resulted in \$13.2 billion in savings from fiscal years 2020 through 2023.

Our matters and recommendations, when implemented, often result in other benefits, such as more effective government through improved interagency coordination or reduced mismanagement, fraud, waste, and abuse. For example:

- **Overseas Nuclear Material Security.** The U.S. and other countries have made efforts to secure nuclear material from theft and to prevent sabotage of facilities containing nuclear materials; however, significant risks remain that could result in catastrophic damage and mass casualties.<sup>5</sup> As part of those efforts, certain programs in the Department of Defense (DOD) and the Department of Energy's National Nuclear Security Administration (NNSA) have an overlapping mission to secure nuclear materials. They conduct similar activities—in some cases, in the same countries and in collaboration with the same foreign officials.

In 2023, we recommended that DOD and NNSA clarify and document the roles and responsibilities for programs that work to address similar issues in the same countries as other federal programs to avoid potential duplication.

In response, the agencies signed a new memorandum of agreement in 2023 for cooperation, integration, and synchronization between NNSA and the Defense Threat Reduction Agency. As a result of these efforts, DOD and NNSA can better prevent duplication of effort and improve the efficiency of international nuclear security efforts.

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## Action on Open Matters and Recommendations Could Yield Significant Additional Benefits

For the 549 matters and recommendations that were open as of March 2024, about 37 percent relate to improvements in public safety and security; 23 percent to business process and management; 14 percent to public insurance and benefits; 12 percent to tax law administration; 11

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<sup>5</sup>GAO, *Overseas Nuclear Material Security: A Comprehensive National Strategy Could Help Address Risks of Theft and Sabotage*, [GAO-23-106486](#) (Washington, D.C.: Mar. 30, 2023).

percent to program efficiency and effectiveness; and 4 percent to acquisition and contract management.<sup>6</sup>

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. In addition, other improvements can be achieved as well, as shown in table 1.

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

Topic area and description (GAO report number linked)	Mission	Potential financial benefits (Source of estimate)
<b>*Medicare Payments by Place of Service:</b> Congress could realize additional financial benefits if it took steps to direct 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. ( <a href="#">GAO-16-189</a> )	Health	<b>\$141 billion over 10 years</b> (Congressional Budget Office)
<b>COVID Employer Tax Relief:</b> The Internal Revenue Service (IRS) should document processes used to address certain compliance risks for COVID-19 employer tax credits and implement additional compliance activities to potentially recapture ineligible claims. ( <a href="#">GAO-22-104280</a> )	General Government	<b>Tens of billions of dollars over 2 years</b> (GAO analysis of IRS data)
<b>*Public-Safety Broadband Network:</b> Congress should consider reauthorizing FirstNet, including different options for its placement, and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. ( <a href="#">GAO-22-104915</a> )	Information Technology	<b>\$15 Billion over 15 years<sup>a</sup></b> (GAO analysis of the FirstNet contract)
<b>Student Loan Income-Driven Repayment Plans:</b> The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. ( <a href="#">GAO-19-347</a> )	Training, Employment, and Education	<b>More than \$2 billion over 10 years</b> (Congressional Budget Office)
<b>*DOE's Treatment of Hanford's Low-Activity Waste:</b> Congress should consider clarifying two issues, including the Department of Energy's (DOE) authority to determine whether portions of Hanford's tank waste, such as the low-activity tank waste, can be managed as a waste type other than high-level radioactive waste and disposed of outside the state of Washington. ( <a href="#">GAO-22-104365</a> )	Energy	<b>Billions of dollars over 11 years</b> (GAO analysis of DOE data)

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

Source: GAO. | GAO-24-107554

<sup>a</sup>If FirstNet sunsets, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

Note: The potential financial benefits shown in this table represent estimates of amounts GAO or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates in this table

<sup>6</sup>Percentages do not exactly add to 100 percent due to rounding.

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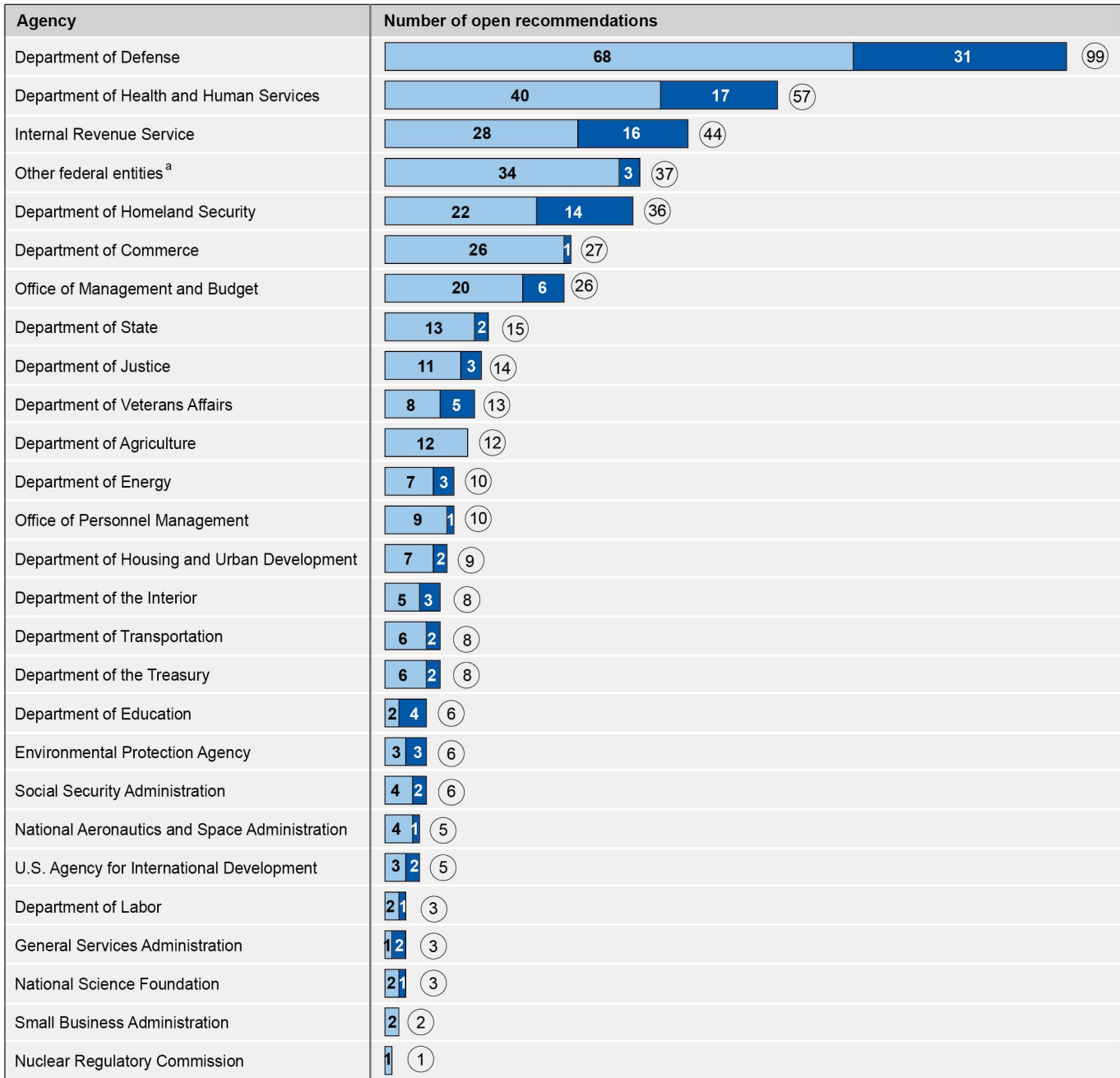
should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

In our 2011 to 2024 annual reports, we identified 140 matters directed to Congress that have the opportunity to address fragmentation, overlap, and duplication, or achieve financial benefits. Of the 140 matters, 76 (54 percent) remained open as of March 2024. Legislation was introduced in the 117th or 118th Congress to address 31 (about 41 percent) of the open matters. As of March 2024, legislation had not been enacted, and those matters remained open.

We also identified 1,878 recommendations directed to federal agencies. Of these recommendations, 473 (25 percent) remained open as of March 2024, as shown in figure 2.



**Figure 2: Number of Open Duplication and Cost Savings Recommendations by Agency, as of March 2024**



Open – not addressed
  Open – partially addressed
  Total open recommendations

Source: GAO. | GAO-24-107554

**Accessible Data for Figure 2: Number of Open Duplication and Cost Savings Recommendations by Agency, as of March 2024**

Agency	Open-Not Addressed	Open-Partially Addressed	Total Open Recommendations
Department of Defense	68	31	99
Department of Health and Human Services	40	17	57
Internal Revenue Service	28	16	44
Other federal entities	34	3	37
Department of Homeland Security	22	14	36
Department of Commerce	26	1	27
Office of Management and Budget	20	6	26
Department of State	13	2	15
Department of Justice	11	3	14
Department of Veterans Affairs	8	5	13
Department of Agriculture	12	0	12
Department of Energy	7	3	10
Office of Personnel Management	9	1	10
Department of Housing and Urban Development	7	2	9
Department of the Interior	5	3	8
Department of Transportation	6	2	8
Department of the Treasury	6	2	8
Department of Education	2	4	6
Environmental Protection Agency	3	3	6
Social Security Administration	4	2	6
National Aeronautics and Space Administration	4	1	5
United States Agency for International Development	3	2	5
Department of Labor	2	1	3
General Services Administration	1	2	3

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Agency	Open-Not Addressed	Open-Partially Addressed	Total Open Recommendations
National Science Foundation	2	1	3
Small Business Administration	2	0	2
Nuclear Regulatory Commission	1	0	1

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Source: GAO. | GAO-24-107554

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

<sup>a</sup>"Other federal entities" reflects open recommendations directed to the following federal entities: AmeriCorps, Capitol Police Board, Committee on Science, Technology, Engineering, and Math Education, Commodity Futures Trading Commission, Consumer Financial Protection Bureau, Consumer Product Safety Commission, Cybersecurity and Infrastructure Security Agency, Executive Office of the President, Federal Communications Commission, Federal Deposit Insurance Corporation, Federal Energy Regulatory Commission, Federal Reserve System, National Credit Union Administration, Office of the Director of National Intelligence, Railroad Retirement Board, U.S. Agency for Global Media, U.S. Geological Survey, United States Commission on International Religious Freedom, United States Interagency Council on Homelessness, United States Postal Service, and United States Securities and Exchange Commission.

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.

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## GAO Contacts

For further information on this testimony or our May 2024 report, please contact Jessica Lucas-Judy, Director, Strategic Issues, who may be reached at (202) 512-6806 or [lucasjudyj@gao.gov](mailto:lucasjudyj@gao.gov) or Michelle Sager, Managing Director, Strategic Issues, who may be reached at (202) 512-6806 or [sagerm@gao.gov](mailto:sagerm@gao.gov). Contact points for the individual areas listed in our 2024 annual report can be found at the end of each topic area in

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Letter

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[GAO-24-106915](#). Contact points for our Congressional Relations and Public Affairs offices may be found on the last page of this statement.

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