



COMMITTEE *on* APPROPRIATIONS

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CHAIRWOMAN MIKULSKI CALLS FOR MORE OVERSIGHT OF FEDERAL IT PROJECT SPENDING

Mikulski insists on accountability from key federal authorities, “When the federal government signs an IT contract, we are not only signing a contract with a company to build a program or implement a system. We are signing a contract with the American people that promises their tax dollars will be spent wisely.”

WASHINGTON—U.S. Senator Barbara A. Mikulski (D-Md.), Chairwoman of the Senate Appropriations Committee, spoke today at a Financial Services and General Government (FSGG) Subcommittee hearing to provide oversight for recent federal Information Technology (IT) “techno boondoggles” by federal government agencies and review Fiscal Year (FY) 2015 budget requests for federal IT investments.

Senator Mikulski’s statement, as prepared for delivery, follows:

“Thank you to Senator Udall and Johans for convening this hearing. The American people are shocked—and so am I – every time it is discovered that billions of dollars have been wasted on what I call ‘techno boondoggles.’

“These techno boondoggles are technology projects that should in theory make the government more effective and efficient in providing services, but instead turn out to be complete ‘flops.’

“The result of these flops is a lot of wasted time and taxpayer money. When things go wrong, we always see the ‘3Bs’ - Big money, Big projects and Big failures.

“This Committee has a responsibility to provide oversight of the funding for these projects to ensure that we get the most bang for our buck.

“According to the General Accounting Office, the federal government has spent more than \$600 billion on technology or IT investments over the last decade. Unfortunately, I don’t think we have gotten a good return on this investment.

“We have spent billions of dollars on projects that have languished for years, only to be canceled or replaced with something else. This is inexcusable!

“One of the best examples of this type of techno boondoggle comes from the Air Force, which tried to replace 240 outdated computer networks with one system. In theory, that sounds like a great idea. But in reality, the agency spent \$1 billion and wasted five years before eventually terminating the project altogether in 2012.

“Senator McCain described it as ‘one of the most egregious examples of mismanagement’ he had ever seen.

“Another example comes from the Department of Homeland Security attempt to create a new passenger screening system for people traveling by plane.

“After spending \$42 million and eight years, they scrapped the whole project and replaced it with a different new screening system.

“Those are just two examples – sadly, I could cite dozens of others.

“Today I would like to hear how we can stop this kind of unnecessary spending. As Chairwoman of the Appropriations Committee, I’m committed to providing significant oversight of these projects and I believe this hearing is a good first step.

“Last week, I convened a hearing on the importance of innovation and research. Those investments save lives, improve national security and create jobs. Innovation can also improve the performance of federal agencies and help the government better serve our constituents.

“When a techno boondoggle occurs, we not only waste tax dollars, but we hamper the delivery of services to the American public that depends on them.

“For example, the Department of Veterans Affairs processes and distributes disability payments to millions of veterans across the country. The Social Security Administration provides disability payments to millions of Americans, while the Office of Personnel Management manages federal employee retirement benefits for millions of people, including many of my constituents.

“My staffers who handle casework for these three agencies are some of the busiest people I know because of the ongoing backlogs. These backlogs weren’t created by failed IT systems, but they were certainly made worse.

“At a time of smaller budgets and difficult spending decisions, we have to make sure every dollar is spent wisely. When the federal government signs an IT contract, we are not only signing a contract with a company to build a program or implement a system. We are signing a contract with the American people that promises their tax dollars will be spent wisely and in a way that advances the mission of the agency.

“I take this responsibility very seriously and look forward to hearing from our witnesses.”

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