

Ranking Member Cummings Highlights Contractor Oversight

Cummings invites Senator McCaskill to discuss importance of improved efforts.

(Washington, DC) – Congressman Elijah E. Cummings (MD-07), Ranking Member of the House Committee on Oversight and Government Reform, today highlighted the importance of improving contractor oversight in the Federal Government, particularly in the Department of Defense. To help find ways to improve the contracting process, Rep. Cummings invited Senator Claire McCaskill, Chair of the Subcommittee on Contracting Oversight on the Senate Committee on Homeland Security and Governmental Affairs, to testify before the House Committee.

The need for a focus on contracting was made more stark this week, by the release of the GAO High-Risk Series, a report on 30 areas of the government that are thought to be at a high-risk for waste, fraud and abuse.

Six of the thirty programs on the GAO list relate directly to federal contracting. They involve contracting at the Department of Defense, the Department of Energy, NASA, and across multiple federal agencies. Together, they account for hundreds of billions of taxpayer dollars every year.

“It’s a real challenge to fully evaluate the extent of this problem,” said Cummings in his opening statement. “For example, during an interview last year, Defense Secretary Robert Gates offered what he called ‘a terrible confession.’ He stated: ‘I can’t get a number on how many contractors work for the Office of the Secretary of Defense.’

“To its credit, the Obama Administration has made significant strides to improve government contracting. In 2009, the President directed federal agencies to streamline their acquisition processes, and last year, the amount of federal contracting declined for the first time since 1997. Moving forward, we have to continue this progress by conducting our oversight efforts in a sustained, dedicated, and bipartisan manner.”

Over the past decade, government contracting costs have escalated dramatically. In 2000, the federal government spent about \$209 billion on procurement. That number has now grown to more than \$500 billion in annual expenditures. During this same period, the number of sole source and noncompetitive contracts has also expanded

“When my Subcommittee fought to improve Coast Guard contracting, we learned about what I called a ‘culture of mediocrity,’” said Cummings. “I fear that what we found at the Coast Guard is pervasive and that the contracting problems at the Department of Defense and other agencies are fraught with that same ‘culture of mediocrity.’ American taxpayers see their tax dollars wasted by fraud, waste and abuse. We can and must do better.

“I am excited that Chairman Issa committed to work on a long-term, bipartisan, comprehensive solution to this problem. Every dollar squandered on a wasteful, no-bid contract is a dollar that, at DOD for example, does not go to our troops; to protective vests; to night vision goggles; or to IED countermeasures. That is completely unacceptable to me. I will work as hard as possible to ensure we address this critical issue.”

Confirming and expanding on the GAO report, the Committee heard from Gene Dodaro, Comptroller General of the United States, and several other witnesses. Congressman Cummings congratulated Comptroller General Dodaro on his nomination by President Obama and his confirmation by the United States Senate.