

Testimony of United States Congressman Henry Cuellar  
Texas District 28

Before the

Committee on the Budget

United States House of Representatives

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**Need for a Results-Oriented Philosophy in the  
Congressional Budgeting Process  
Strengthening Congressional Budget Oversight**

*Our constitutional obligations and legislative accountability have made the purpose of effective legislative oversight imperative.*

Chairman Nussle, the Honorable John Spratt and Members of the Committee, we are here today in pursuit of making government more efficient, effective, and accountable.

Before I start I would like to thank Clay Johnson and the hardworking people at the OMB. Improving the performance of our agencies is a bipartisan issue that is a hallmark of good government, and I would like to thank them for furthering the work started back in 1993. I would also like to thank my friend and fellow representative Mike Conaway for his dedicated work on this project.

## What Gets Measured, Gets Done

I address you today in order to shed further light on our responsibility to provide a continuous level of government improvement for our fellow citizens. The answer is not complicated or expensive; in fact it streamlines government, encourages efficiency, and rewards effectiveness. The concept that I refer to is Performance Based Budgeting. PBB is a results oriented budget tool that sets goals and performance targets for agencies, and measures their results. PBB not only increases the capacity for legislative oversight, but it also helps to increase the quality of services that our citizens receive. It is important for our legislative body to remain representative and responsive to the needs of our citizens.

David Osborne and Ted Gaebler summarized the need for measurement their book, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector* (1992):

- What gets measured, gets done
- If you don't measure results, you can't tell success from failure
- If you can't see success, you can't reward it
- If you can't reward success, you're probably rewarding failure
- If you can't recognize failure, you can't correct it
- If you can demonstrate results, you can win public support (Osborne and Gaebler 1992, 146-155)

This perspective is important, because measuring the performance of government agencies is a fundamental part of our responsibility as a responsible Congress.

## **A Congress Exercises Four Fundamental Functions:**

- **Lawmaking and public policy making.** Congress makes laws and sets public policy for the United States. This function includes fact-finding and analysis related to both governmental and non-governmental activities.
- **Raising revenues.** Congress has authority to levy taxes, fees, and authorize the sale of bonds.
- **Budgeting.** Congress determines the activities and purposes for which government may spend money.
- **General oversight of government.** The Constitution prohibits Congress from executing or enforcing the law. But the Congress independently gathers information about the executive and judicial branches to aid it in its policy-making functions.

## **And Congress Exercises its Oversight Powers to:**

- Protect the public health and welfare,
- Protect citizens' freedoms and assure access to the government,
- Preserve public property, and
- Assure itself that public funds are properly spent and controlled.

## **Performance Management in State Governments**

Performance Budgeting is not a new idea. Most state governments have undertaken the challenge of implementing Performance Based Budgeting in their own agency institutions. Many of these innovative programs have led to improved efficiency, transparency and effectiveness. This push has also allowed state legislatures to become more accountable in their oversight activities. States experiencing budget shortfalls have used PBB principals to increase the quality of services given to the public. A lot of wisdom has been gained through the trials in our states, and almost all of them are ahead of the Federal Government in PBB implementation. We need to implement policy examples from the best states, and we need to avoid our past mistakes. The information is at our fingertips, we owe our citizens their due diligence.

I urge all of you to look at what Delaware is doing to improve the benchmarking process, or to take a serious look at how Utah has excelled in information gathering. We can also look for guidance in states like Virginia for their dedication toward making this important information accessible to the public. The Virginia Results website is an excellent example of government transparency in action. It is my understanding that the OMB has proposed the creation of a similar website, and I would like to personally stress the need for this valuable tool.

Please refer to the companion materials for examples of the work done in Texas.

## **Bill Pattern Evolution**

One of the most important changes occurring through the performance budgeting process is the inclusion of performance information in the budget itself. Having performance information included in a manner that is appropriately organized and easily

understandable is an important first step. When we have this type of information we have a useful tool for formulating benchmarks. This information can also be valuable in determining the true budgetary costs of each individual type of service that we provide to our citizens.

Agencies can use this information to justify funding levels for any specific amount of output. Appropriators will also have a better idea of the connection between funding and the impact of their programs.

## **Conclusion**

Performance-based budgeting is a results-driven method which encourages managerial improvement and better program results. We have a responsibility to our citizens, and the dialogue must start with us.

- What we want to have is a performance budgeting tool that is **Non-Partisan**. It should not change when one Administration changes over to another and performance measures should not be under the influence of partisan trends.
- We need to supply Congressional Committees with information that is **Accurate and Useful** in the assessment of agencies and programs.
- We should use the **States as Laboratories**. A lot of wisdom has been gained through the trials in our States, and almost all of them are ahead of the Federal Government in PBB implementation. We need to implement policy examples from the best States, and we need to avoid our past mistakes.

The information is at our fingertips, we owe our citizens their due diligence.

- We need to encourage the establishment of a formal structure for this form of **Congressional Budget Oversight** in the Legislative Branch. It is our responsibility to meet this challenge.
- We need to **Stand Together** and do what is best for our citizens. It is for this reason that we need to bring all of Congress together in the support of these necessary solutions.

Thank you for the opportunity to testify. I will look forward to answering your questions.