

Oversight Hearing - Office of Management and Budget

House Committee on Appropriations

Subcommittee on Financial Services and General Government

June 30, 2026

Witnesses:

The Honorable Russell Vought

Director, Office of Management and Budget Witness

Members Participating:

Majority

- Chairman David Joyce (R-OH)
- Rep. Mark Amodei (R-NV)
- Rep. Ashley Hinson (R-IA)
- Rep. Nick LaLota (R-NY)
- Rep. Steve Womack (R-AR)
- Rep. Michael Cloud (R-TX)
- Rep. Chuck Edwards (R-NC)

Minority

- Ranking Member Steny Hoyer (D-MD)
- Full Committee Ranking Member Rosa DeLauro (D-CT)
- Rep. Mark Pocan (D-WI)
- Rep. Sanford Bishop (D-GA)
- Rep. Marie Perez (D-WA)
- Rep. Glenn Ivey (D-MD)

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Chairman David Joyce (R-OH):

00:03:50 

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Days within which to revise and extend their remarks and insert extraneous material into the record. I now recognize myself for an opening statement. I'd like to welcome back Director Vought and thank him for being here today.

The Office of Management and Budget, or OMB, plays a central role in most of the decisions made in the executive branch, particularly as it relates to the federal budget. It's also important to remind our audience again that OMB is an office created by Congress. In 1921, Congress passed the Budget and Accounting Act of 1921, which created the Bureau of the Budget under the Department of the Treasury. Later in 1939, in the Reorganization Act of 1939, the Bureau was relocated to the newly created Executive Office of the President.

And in 1970, Congress approved the Bureau's renaming to the Office of Management and Budget. I restate this history because OMB plays a unique role both as an office created by Congress and one that has been and continues to be responsible for fulfilling the President's policies. Over the course of the second Trump administration, OMB continues to play a central role in the continued reshaping of the federal government.

As of June 20th, 265 executive orders, 59 memoranda, and 153 proclamations have been signed by the President.

OMB plays a critical role in each one of these decisions. However, we need to work together to ensure that federal funds are being used as Congress intended, even if the administration doesn't agree with the intent of certain programs. This is why the President's budget remains so important. It is a guide to help Congress understand agency priorities and how the legislative and executive branch can work together to deploy the resources necessary to execute on those priorities. For fiscal year 2027, OMB is requesting \$146.1 million, a 13.3% increase above its FY-2026 enacted level. I look forward to discussing OMB's FY-2027 request with Director Vought and how we can work together to ensure that agencies have the resources they need to work on priorities for our constituents and the public writ large. I now recognize the Ranking Member for his opening statement.

Ranking Member Steny Hoyer (D-MD):

00:05:58

Thank you very much, Mr. Chairman. I appreciate your calling this hearing. You referenced how overwhelming is the relationship between the OMB and the policies being pursued by the government. Frankly, I think we could have used days of hearings given the extraordinarily broad impact that the OMB has had on the operations of government.

I wish, though, as well, that we had a chance to have this budget hearing before we did the budget. Mr. Vought is in essence the administration's chief financial officer and chief operating officer. Process matters, and that bill would have emerged stronger from this subcommittee had we been able to hear from the director and question him on OMB's priorities ahead of that markup.

Nevertheless, I expect many of us will be asking pointed questions today about the management of federal resources, from an expensive war of choice to vanity projects at the White House grounds and around D.C. OMB is one of the most powerful and least known offices in our government. It is, in many ways, the nerve center of presidential power. Under Director Vought, in my opinion, it has become a hub for making irrelevant the constitutional limits of the executive branch's power, and has become, in his own words, a soft source of trauma for our nation's dedicated and hard-working civil service.

I hope today's hearing will be a reminder to Director Vought that every administration is accountable to Congress, which is the subject of the Constitution's first article, and in which it represents the people. It also includes American scientists, researchers who rely on federal grants, which are now at risk because of Director Vought's plan to impose a political litmus test over a nonpartisan, peer-reviewed historic process. And it includes the millions of Americans whose health, lives, and livelihoods are adversely impacted by cuts to federal programs and agencies that Director Vought seeks to impose unilaterally and without congressional approval, and in many cases contrary to congressional intent and direction. I'm talking about impoundments, which are illegal and direct constitutional challenges to Congress of the United States. And I'm referring also to pocket rescissions. Mr. Chairman, this oversight hearing may be the most important one held this year in the House. It has, sadly, become rare in this committee to hold hearings with the leaders of the executive branch agencies directly.

Today, we have a de facto leader of the unitary executive theory. And while the president's focus has been on printing money with his face on it and ensuring him and his friends make money through no-bid contracts, Director Vought has been relentlessly focused on enacting his own ideological program. President Trump said in September 2024 that he had, quote, nothing to do with Project 2025. Before us is the architect of that program of which the president disclaimed any knowledge. Director Vought has discerningly said he

believes America is in a post-constitutional moment. I'm not sure what that means. Not surprising, given his apparent disdain for the Constitution, that he, like all public servants, have sworn an oath to support and defend. Director Vought, I can assure you that our Constitution is alive and well, and that this committee and Congress will hopefully hold you accountable and the government accountable, the Executive Department accountable, using the oversight tools it places in our hands.

So we have a lot to cover today. And I hope, as I said at the beginning, that we will have sufficient time to do so, because we have differences of opinion, serious disagreements. Unlike Justice Scalia, that said that the executive department clearly did not have impoundment theory, I think the director, Mr. Chairman, is the principal proponent of the opposite conclusion. So we could take a lot of time on what the consequences of that philosophy are and the consequences to the American people of the exercise of that philosophy. With that, I will yield back the balance of my time.

Chairman David Joyce (R-OH):

00:10:57

Thank you, Ranking Member Hoyer. Today, we welcome the testimony of the Honorable Russell Vought, Director of the Office of Management and Budget. Director Vought, without objection, your full written testimony will be entered into the record. With that in mind, we ask you to summarize your opening statement in five minutes, please.

The Honorable Russell Vought:

00:11:13

Thank you, Mr. Chairman. Chairman Joyce, Ranking Member Hoyer, members of the subcommittee, thank you for having me here today to testify in the President's budget request for fiscal year 2027. I look forward to a productive conversation on how to continue the fiscal progress we've made so far. When President Trump took office, the nation was facing financial catastrophe under the failed leadership of the Biden administration and decades of status quo spending strangling our nation. Those decades produced nothing in the area of fiscal restraint. A lot of talk about the program, but utter futility about doing anything about it. That fiscal futility ended with the return of President Trump. In just one year, the Trump administration and Congress have made historic progress on righting our fiscal ship, the speed and scope of which have not been seen in Washington for many years.

The President drove enactment of the Working Families Tax Cut, which is a once-in-a-generation legislation to end fiscal futility, invest in critical priorities, and cut taxes for working Americans. This bill bent the cost curve for federal spending, achieving nearly \$2 trillion in mandatory savings while securing historic investments in our nation's Defense and Department of Homeland Security, without corresponding increases in objectionable non-defense spending. The President also shepherded legislation through Congress that rescinded \$9 billion in wasteful and weaponized spending, which was the first standalone rescissions package enacted by Congress since 1992. We built on the rescissions package in the full year 2026 appropriations bills together, which enacted the first real cut to spending in over a decade and rooted out wasteful spending that the administration identified across federal agencies. The enacted bills reaffirm administration policy to eliminate ineffective federal agencies that do not serve a useful purpose.

For example, the bills eliminated all programming for USAID as the administration works to fully shut down the agency after decades of mismanagement and abuse. The bills also included the complete elimination of the Corporation for Public Broadcasting, which funneled billions of taxpayer dollars into biased, woke programming at NPR and PBS. We look forward to working with you to achieve even more progress in the fiscal year 2027 appropriation cycle, in addition to working with you on the administration's recent

supplemental funding request.

The 27 budget builds on the President's vision by continuing to restrain non-defense spending and reform the federal government. The budget proposes a 10% cut to non-defense levels. Within this total, the budget maintains investments in border security, immigration enforcement, delivers on the President's commitment to support law enforcement and combat violent crime with a 13% increase to the Department of Justice, and honors the nation's sacred obligation to military veterans. In addition, the 2027 budget eliminates wasteful Green New Deal projects that are dependent on foreign supply chains, returns control of education back to American families, and routes waste out, fraud, and abuse in programs both at home and abroad. The budget simultaneously builds upon the historic \$1 trillion defense top line from fiscal year 26 by requesting \$1.5 trillion for 2027, a 42% increase as promised by President Trump last year. The 27 budget will ensure the United States continues to maintain the world's most powerful and capable military as we grapple with an increasingly dangerous world. It is a sizable increase, and that I want to explain. It is meant for significant paradigm shifting investments.

For instance, the President and his Department of War are exhibiting tremendous leadership to build ships, planes, drones, munitions, and satellites faster, without the backlog status quo, for the industrial base to double and triple capabilities and build more facilities, not just add shifts. It requires multi-year agreements to purchase into the future. That cost has to be booked in the first year. OMB plays a unique role in supporting and implementing the administration's fiscal strategy and has been hard at work crafting the President's budget and accomplishing the largest deregulatory agenda in the nation's history. OMB's fiscal year 27 funding request for itself is \$154.1 million, which is level requested from what we requested last year. OMB is a personnel-intensive agency, and I want to note that the 27 request cannot support additional or even maintain staffing at the 26 levels.

Accordingly, OMB is not asking for additional FTEs. In fact, we are assuming a lower FTE level to be absorbed in the base, 25 FTEs down to 470 OMB based on our request. OMB is going to have to leverage funding from the Working Families Tax Cut to ensure that its staffing levels are necessary and remain the same to perform its critical mission in implementing key administration priorities. Now that our fiscal ship has finally turned to face in the right direction, I look forward to working with you to continue to move forward. I'm happy to answer any questions.

Chairman David Joyce (R-OH):

00:16:30

Thank you, Director Vought. I recognize the ranking member of the full committee, who was asked if she would be able to make an opening statement.

Full Committee Ranking Member Rosa DeLauro (D-CT):

00:16:54

Thank you very, very much, Mr. Chairman. I apologize to you and to the rest of the committee and to our guests this morning. There are many, many meetings going on. So, I appreciate the opportunity to provide an opening statement. I want to say a thank you to Chairman Joyce, to Ranking Member Hoyer, and I want to welcome Director Vogt.

A lot of ground to cover, and you and I agree on very little, but I'm glad that you are here to fulfill your constitutional responsibility to respond to Congress's oversight authorities. Quite honestly, even if it's only after all 12 bills have been passed by this committee. In your position as Director of the Office of Management and Budget, you have asserted unprecedented control over taxpayer funding, a power of the purse that belongs to Congress under the Constitution. It is Article 1, Section 9, Clause 7, no money shall be

drawn from the Treasury but in consequence of appropriations made by law. You have worked openly to undermine this essential authority guaranteed to the Congress and render it under the control of the executive branch. I view it as an affront to the separation of powers and the very purpose of this committee. You have stepped well beyond the bounds of the ordinary push and pull between the White House and Congress that characterizes every administration, Democratic or Republican.

You have withheld funding that Congress passed on a bipartisan basis, and that presidents of both parties, including the current president, have signed into law. You have shuttered entire federal agencies, contributing to the deaths of some of the most vulnerable women and children across the globe in the process. And you have done all these things under the guise of shrinking the government, yet you have also spent billions and billions of dollars beyond what is legally allowed. You have hijacked billions from investments to maintain U.S. military superiority in the future, and you have taken over \$400 million in taxpayer funding from the Secret Service to pay for the President's ballroom project. You are currently withholding \$19 billion to shutter an agency Congress has not agreed to shutter.

And as I wrote to you last March, you have unlawfully spent over \$9 billion in taxpayer funding that was never legally appropriated, exposing dozens of your administration colleagues to criminal liability. The lack of accountability you have shown to the American people must be addressed. But today I want to highlight one recent item that should concern people of every political persuasion in every corner of this country. At the end of May, OMB released a proposed rule in an attempt to subject all federal funding to a political litmus test. The proposal instructs political appointees in the Trump administration to deny or terminate virtually any grant at any time for any reason or no reason at all at the beginning, middle, and end of the federal funding process. Under your proposed rule, a recipient must quote demonstrably advance the president's policy priorities, end quote, not the country's and not the law's. There is no telling on any given day what the president's priorities may be. He routinely announces a policy in the morning only to reverse it in the afternoon.

His habit is to govern by whim and fiat. This proposal seeks to establish yourself as the chief interpreter and final arbiter of what does or does not conform to this ill-fated, ill-defined standard. Your proposal would sideline the independent, nonpartisan experts who ordinarily make grant funding decisions as part of a peer review process based on evidence and science in favor of political tests imposed by you. Instead of awarding research funding based on the likelihood of success, it will be conditioned on political compliance. Rather than scrutinizing the data, applicants will have their social media scrutinized. You are creating an environment in which promising cancer treatments will lose grant funding because the university that houses the lab has the word diversity in its mission statement.

You are inviting the possibility that years of work on a revolutionary Alzheimer's drug will be cut short and abandoned because the head researcher spoke at a conference hosted by a group that disagrees with the Trump administration on vaccine policy. It is cancel culture for cancer research, weaponization of bureaucracy. The harm this will do if allowed to take effect is unfathomable. Do not take my word for it. Experts in psychiatry, immunobiology and neuroscience at Yale University have expressed profound alarm at the impact this proposal will have.

I am submitting for the record letters that I received from these doctors and researchers detailing the catastrophic effects of this proposal would lead to. May I submit the documents? I will wrap up very quickly. Lastly, I want to touch on the supplemental. Okay, I appreciate that, but I would like the record to have it. Oh, there is a lot. We're very much eager to hear your answers today, Director. Vote to the questions. And if I might, my entire statement be read into the record. I apologize for being late. It is not for lack of diligence,

but because of the schedule that we have here. So, I appreciate it. I thank the very chairman for that. Much appreciated. Thank you.

Chairman David Joyce (R-OH):

00:22:46

And now we'll start a round of questions. I will begin. The answer will be five minutes for questions. If people see fit to have five minutes of monologue, so be it. But at the end of five minutes, we move on to the next person.

I recognize myself. Director Vought, last week you sent a supplemental request to Congress requesting \$87.6 billion in additional funding for fiscal year 2026. With respect to this committee, \$36 million was requested from the Office of Terrorism and Financial Intelligence and \$600 million was requested for GSA, half for elevator-related capital projects and half for the district's heating and transmission decoupling program, among other things.

My question on behalf of the committee is, how was this request developed? How did OMB determine its supplemental priorities vis-a-vis its FY27 budget request? And what changed between May and now that triggered these requests?

The Honorable Russell Vought:

00:23:39

Thank you, Mr. Chairman, and thank you for inviting me to testify. We ran a process with the supplemental to try to assess the defense needs in particular that we had with Operation Epic Fury.

We also sent out a request for needs, not unlike what we would do for anomalies with a CR request, to determine what are the most dire needs. Obviously, needs came back with the State Department with regard to buildings that may need to be repaired from active activities overseas, but also in terms of Coast Guard needs because they are absorbing activities where the DOW would normally have performed those activities, or in the case of GSA, kind of an acute need with the elevators that was needed based on kind of a typical inability to get that much money coming from Congress. That one might have put forward in the normal appropriations process or budget cycle, but we wanted to use this as an opportunity, and again, we have not said this is just defense.

We wanted to make sure that any needs that we see, we are bringing to you as legitimate, and it has OMB seal of approval, and I appreciate in your testimony, Mr. Chairman, the role that OMB provides for this committee in particular so that when we send something up, we believe it has been pressure tested accordingly.

Chairman David Joyce (R-OH):

00:25:07

I appreciate that, but I noticed that we've had hearings on it that there's a tremendous backlog of maintenance in all of the facilities. Unfortunately, we all need to get to. With that in mind for fiscal year 2027 budget request, OMB is requesting a 13.3% or \$17.1 million increase. This increased funding would support quote unavoidable cost investing in OMB's workforce among other priorities. Would you explain what those unavoidable costs are and why OMB needs additional funding only to cut staffing levels? And how do you reconcile the statement?

The Honorable Russell Vought:**00:25:39**

Well, we need OMB's budget to grow, and it's largely been flatlined for a number of years. If you look at GAO's budget, they have about \$900 million to our \$150 million. They have 3,000 staff that perform the activities that you all feel is vital. We have in the neighborhood of 500 FTEs that largely hasn't grown, even though the federal government has expanded in size.

And, if you just look at some of the portfolios that people have, they're astronomical. We have tried to change that, but we need more FTEs to do that. OB-3, the one big beautiful bill, will help us with additional FTEs. We're going to, unfortunately, draw down on that to maintain steady-state levels, and that's my main concern, Mr. Chairman, is that my hope is that the base level will grow accordingly this year and into the future. But to answer your question, specifically, we have rent costs because we are in the midst of a move, and we have to pay rent temporarily in both places.

MAX is a computer system that the whole federal government uses, and it constantly needs to be invested in, almost as an IT system. And then the security that is, unfortunately, a new phenomenon for OMB in terms of some of the security threats that I have faced. We are now building that in to account for that cost because I certainly do not want it to take away from the already smaller appropriation that OMB has historically had as a small agency.

Chairman David Joyce (R-OH):**00:27:15**

I think you'll find this committee on a bipartisan basis has been very cognizant of security issues and tried to make all those areas under our jurisdiction whole so they can provide the necessary security for yourself and for the employees and the people who visit.

The 27 budget justification sites several new responsibilities that OMB will assume through recently issued executive orders. This includes EO 14215, ensuring accountability for all agencies, protecting America's bank against fraud, waste, and abuse, and 14275, restoring common sense to federal procurement, and EO 14332, improving oversight of federal grantmaking. I notice that I'm going to about run out of time, and in order to be fair to everyone, I will now notice my ranking member, Mr. Hoyer, for his five minutes.

Ranking Member Steny Hoyer (D-MD):**00:28:09**

Well, I would have been interested in the answer to that question. Mr. Director, the \$100 million you've got in the reconciliation bill, the first reconciliation bill, what's the status of that \$100 million?

The Honorable Russell Vought:**00:28:28**

We are attempting to hire FTEs in certain key areas. One of them, to answer the Chairman's question, would be fraud prevention. One of them is to be able to have a lot of oversight of the spending we're asking you with regard to defense. That would be one of those portfolios that we feel like we have nowhere near the number of FTEs to be able to provide accountability for. And we are trying to invest in tools that would allow us to use technology to do OMB's work better.

Ranking Member Steny Hoyer (D-MD):**00:28:54**

How much of that \$100 million has been obligated?

The Honorable Russell Vought:

00:28:59

Very few have been obligated.

Ranking Member Steny Hoyer (D-MD):

00:29:02

Well, how much?

The Honorable Russell Vought:

00:29:02

I'd have to get back to you, but it would be in the millions.

Ranking Member Steny Hoyer (D-MD):

00:29:06

Less than 10?

The Honorable Russell Vought:

00:29:08

I would think so.

Ranking Member Steny Hoyer (D-MD):

00:29:10

Yeah. So that you are asking for additional money and you made the point, which I think is a valid point in terms of ability to do the job that we require you to do. But when you make a comparison to GAO, GAO has oversight over the two million people who work for the federal government. And you have control over almost all of those two million in terms of getting information, studies, reports. So that I think it is not a fair analogy to make that GAO has more authority and scope than you have available to you.

But in any event, let me go to debt and deficit. This administration and my Republican colleagues say the debt is a very serious matter. You're aware of, of course, the fact that the first reconciliation bill over 10 years has been adjudged to cost either between \$4.1 trillion or \$4.7 trillion, depending upon whether you use static or dynamic scoring. Ironically, the dynamic scoring that I think Do you support dynamic scoring?

The Honorable Russell Vought:

00:30:26

Of course.

Ranking Member Steny Hoyer (D-MD):

00:30:26

Yes. It costs more under dynamic scoring by about \$800 billion. How are we going to bring that down? What's your plan in light of the fact that we have now just spent, and you're asking for a supplement of \$60 billion on a cost that was not incurred except by choice of this administration and so many other costs they're incurring? How are we going to pay those bills?

The Honorable Russell Vought:

00:31:04

Budget baseline assessment that you just gave to the one big beautiful bill. If you use a proper baseline which assumes current law revenue, current policy revenue coming into the federal government, it would have saved \$1.5 trillion as you update the 10-year window. So I look at the one big beautiful bill and I look at it and I say, this was the end of fiscal futility.

And I worked in the House of Representatives. I spent many years developing budgets for members of Congress. I know this place well. There were many people, including yourself, who cared about the deficit and levels of debt. And many ideas and plans were put forward. This is the first time we've actually had success on the mandatory side and success on the discretionary side. I think the appropriations process that you all just completed, with the exception of the two shutdowns, which we can talk about, but the appropriations bills that you passed into law and the appropriations bills that I am seeing and monitoring as they're moving are, for the first time, taking some of the suggestions from the President's budget request, and I commend this committee on that.

Ranking Member Steny Hoyer (D-MD):

00:32:10

Let me stop you, not because I want to stop you, but because I have 58 seconds left. Clearly not enough time, but I would suggest to you the two largest deficits that we've had were in 2020 and 2021, fiscal year 21, under the Trump administration. Now, we had the pandemic, so one has to take care. But the next highest is what we're going to experience today, \$1.9 trillion. Do you agree that that's the projected deficit for this fiscal year?

The Honorable Russell Vought:

00:32:41

CBO and others are making projected deficits. We have not included that in our budget resolution. We are going to-.

Ranking Member Steny Hoyer (D-MD):

00:32:47

Wouldn't it be useful for the OMB director to know what the projected deficit is going to be in terms of the obligations that the taxpayer of America? Well, the challenge— And by the way, our grandchildren, not ourselves.

The Honorable Russell Vought:

00:32:59

We're certainly committed to eliminating the deficit and to be able to get back on trajectory towards balance.

Ranking Member Steny Hoyer (D-MD):

00:33:07

In my last five sessions, when do you project that to happen under the two reconciliation bills that have passed so far?

The Honorable Russell Vought:

00:33:14

Well, the fact that we've been in reconciliation bills and are using that has caused us to send up discretionary only budgets because we do not want to confuse the country with regard to proposals that would be proposed but not for a ride on one of these reconciliation bills. So, we have a lot of ideas, but we certainly want to get a budget to you as soon as we possibly could. So, our budget does not include those tables, but the mid-session review will have those types of numbers in them later this summer.

Chairman David Joyce (R-OH):

00:33:48

Thank you, Ranking Member Hoyer. The Chair now recognizes the distinguished Chair of the Homeland Security Subcommittee, Mr. Amodei, for any questions he may have.

Rep. Mark Amodei (R-NV):

00:34:00

Thank you, Mr. Chairman. And the only reason I have that title is because you quit the job and headed for greener pastures. But that notwithstanding, thank you for being here this morning, Mr. Director. Does OMB recognize Congress's full oversight authority over funds provided through reconciliation?

The Honorable Russell Vought:

00:34:18

Well, in terms of Congress, absolutely, yes.

Rep. Mark Amodei (R-NV):

00:34:21

Okay, thank you. Can you provide, obviously with that introduction, we've struggled getting information that has to do with the previous folks' subject matters clear in terms of homeland?

Can your office provide an accounting in terms of what we bought for airplanes for ICE and Border Patrol, what we bought for airplanes for Coast Guard in the past 12 months, and to the extent that those, and also what we spent for detention facilities planned around, whatever the plan was, around the nation? To the extent of identifying how many aircraft in whatever category for those three agencies, Customs, Border Patrol, ICE, and Coast Guard.

How many were purchased? How many are still part of the mission? And for anything that was not part of the mission now, what the plan is for, hey, it turns out we don't need this 737, this Gulfstream 5000, and the detention facilities. And here's what our plan is. And then the theme is simple. How are we protecting taxpayer dollars if we reassess those needs? Whatever, just so we can kind of close the book on those sorts of things. Is that something your office has the ability to do?

The Honorable Russell Vought:

00:35:48

Yes, I'm happy to work with you. I'll follow up with you after this hearing and try to drill down on what you're not getting from us.

Rep. Mark Amodei (R-NV):

00:35:55

Perfect. I appreciate that. Last thing is CISA. We had a hearing last week with the Secretary of Homeland Security. CISA has been through ups and downs from the end of the Biden administration to present. The mission, I don't think we need to talk about the mission, but in last week's hearing, after cutting 1,100 employees through various, whatever mechanisms, the Secretary of Homeland Security says, we need 600 folks back.

Can you kind of help me with, because the administration's budget request was more lean times, if you will. And so it's how are we mixing that up? Because better than anybody, you don't just flip a light switch on and you got 600 folks over in CISA now, according to the secretary. What's the plan for getting CISA fully operational? And I understand the political things about elections and the Jen Easterly years and all that other sort of stuff. What we're talking about now, how do we make sure that we have a robust, effective, cost-effective CISA force? Because I don't think anybody thinks we have it now. But if I'm wrong, tune me up.

The Honorable Russell Vought:**00:37:15**

Thank you for that question. It does take time to increase staff. That's one of the things we're learning as we try to increase OMB staff with the same money from the One Big Beautiful bill.

What I would say is I haven't gotten a formal request from the Secretary as it pertains to CISA FTEs. He was not here when we developed this budget, so if he feels the need to have additional resources, we will work that through internally and at the appropriate time come up and brief you. I do think that he's in the process still of getting his arms wrapped around the department. And this is probably one of those things, particularly in the cyber world. You now have a year and a half of a new administration. We saw this agency had major concerns with it in our four years outside of government. And with new management, I think it's now an agency or could be an agency that plays a very valuable part for DHS's portfolio.

Rep. Mark Amodei (R-NV):**00:38:18**

Great. I look forward to robust communications, and thank you for your testimony. I yield back, Mr. Chairman.

Chairman David Joyce (R-OH):**00:38:26**

Thank you, Mr. Amodei. I would second that. CISA needs all the help it can get as soon as possible and would recognize Mr. Pocan for any questions for five minutes that he may have. Great.

Rep. Mark Pocan (D-WI):**00:38:37**

Thank you, Mr. Chairman, and thank you, Director Vought, for being with us. I think many of us disagree with the first time in 250 years history of the country, the unified executive theory. So let me drill into one area to ask. Do you concur that multiple studies have shown that people, both adults and children, across the globe have died because of cuts to programs like USAID?

The Honorable Russell Vought:**00:38:58**

I do not concur with the validity of those studies.

Rep. Mark Pocan (D-WI):**00:39:02**

You agree that people have died across the globe because of our cuts?

The Honorable Russell Vought:**00:39:07**

My question is, do you believe.

Rep. Mark Pocan (D-WI):**00:39:09**

People have died because of the cuts to USAID? It's simple, yes or no.

The Honorable Russell Vought:**00:39:13**

You don't believe anyone has died? Let me finish the question.

Rep. Mark Pocan (D-WI):

00:39:17

No, no. It's a yes or no it is. It's really simple. Do you think people died or not?

The Honorable Russell Vought:

00:39:21

Our cuts are aimed

CROSSTALK:

00:39:22

Alright, you're not going to answer it. I would claim my time. I thought you

Rep. Mark Pocan (D-WI):

00:39:24

We're going to be a little more helpful, Director Vought, but that's fine. So this is Boston Studies, Lancet Studies, others have said hundreds of thousands to millions of kids and adults will die because of this.

One of your co-conspirators, Elon Musk, recently has been going nuts trying to claim no one's died. And he asked to name names. So let me mention a few people who've died because of these cuts. Rovenia Naboi in Kenya, her little daughter, Jane, died of starvation in a refugee camp because we cut back on their food and the food rations. She got sick and died. Uganda Balama in Nigeria, USAID-funded program. Baby's a special nutrient-dense paste to avoid malnutrition. She had twins, six months old. The program ended abruptly because of cuts to USAID. Two weeks later, one of the twins died. I've got a bunch more. Are you familiar with any of these stories?

The Honorable Russell Vought:

00:40:20

13.4 million for civic engagement. Are you familiar with.

Rep. Mark Pocan (D-WI):

00:40:23

Any of these stories? There's no number involved in that answer, Director Vought. Are you familiar with any of these stories? I just gave you two examples. Are you familiar? It's a yes or no. Don't dance. You're not a tap dancer. Are you familiar with the stories? It's really that simple.

The Honorable Russell Vought:

00:40:38

I am familiar with the press that you are citing. The reports that you are also referring to

Rep. Mark Pocan (D-WI):

00:40:43

Are. I take my time back. You're clearly not going to answer questions today. I thought you came to answer questions. You're not. So, will you commit to reach out if I submit some of these names of people who have allegedly died due to cuts? Will you personally reach out to find out if they have since you're saying no one's died?

The Honorable Russell Vought:

00:41:02

I will personally read all correspondence that Congress gives me and do everything I can to be responsive to them.

Rep. Mark Pocan (D-WI):

00:41:07

Yeah, and could you reach out to them to actually verify whether or not someone's died because of a cut to uSAID?

The Honorable Russell Vought:

00:41:14

We're monitoring all of these studies to see if there's validity, but there is nothing about those studies that has caused us to think differently about ending \$4.6 million to build climate

CROSSTALK:

00:41:25

Resilience in Honduras. Take my

Rep. Mark Pocan (D-WI):

00:41:26

Time back, please. Morally, isn't it wrong to facilitate the death of children?

The Honorable Russell Vought:

00:41:30

Isn't it morally wrong to to contribute to civic engagement in Zimbabwe?

Rep. Mark Pocan (D-WI):

00:41:35

Look, you're not Confucius or, whatever you think you are answering the question with a question. I said, is it morally wrong to facilitate the killing of children?

The Honorable Russell Vought:

00:41:44

You're basing it on a premise that

CROSSTALK:

00:41:47

Is false. I'm not going to answer that question. Take

Rep. Mark Pocan (D-WI):

00:41:48

My time back. You wrote in a 2021 article in Newsweek about Christian nationalism that our rights and duties are understood to come from God. Isaiah 58:7 commands, "Share your food with the hungry and provide the poor wanderer with shelter." Are you saying God was misquoted or wrong?

The Honorable Russell Vought:

00:42:06

I'm sorry, what does that have to do with the question with regard to our administration? It's morally.

Rep. Mark Pocan (D-WI):

00:42:11

Wrong to facilitate the death of children. I think everyone. We're.

The Honorable Russell Vought:

00:42:16

Not doing that.

Rep. Mark Pocan (D-WI):

00:42:17

That's why I'm asking you to reach out to folks, but what I'm saying is if that is a quote from the Bible, and I know you are a Christian nationalist by

The Honorable Russell Vought:

00:42:24

Declaration, by articles you've used that slander for

CROSSTALK:

00:42:28

It's not slander. Do you think that's slander? Do you think calling someone a Christian nationalist is slander? You wrote an

Rep. Mark Pocan (D-WI):

00:42:34

Article, is there anything actually wrong with Christian nationalism and now you're saying it's a slander? That's really odd. Would you agree that it is wrong morally, ethically, or by your own admission, biblical standards? Is it wrong to facilitate the death of children?

The Honorable Russell Vought:

00:42:53

We're not doing that. We have adequate foreign aid for

Rep. Mark Pocan (D-WI):

00:42:56

This country. You're not answering the question. Listen to the question. Please, is it morally, ethically, or biblically wrong to facilitate the death of children? Don't take anything else in context. Is it wrong?

The Honorable Russell Vought:

00:43:10

This administration is not doing that.

Rep. Mark Pocan (D-WI):

00:43:12

You cannot answer a question. I mean, i'll.

The Honorable Russell Vought:

00:43:15

I believe he answered the question. You just don't like the answer.

Rep. Mark Pocan (D-WI):

00:43:17

No, he hasn't. No, Mr. Chairman, you can ask your own questions and get your own answers, but if he's not going to give an answer,.

The Honorable Russell Vought:

00:43:22

Move on.

Rep. Mark Pocan (D-WI):**00:43:23**

Everyone else could figure out. No, I don't have to move on. I can ask the question, and if this guy is gonna, one, say Christian nationalism is an insult, you might have some friends to answer to that one for. But to say the sort of stuff and not answer questions directly, it is morally, ethically, and biblically wrong to facilitate the death of children.

Rep. Ashley Hinson (R-IA):**00:43:42**

Thank you, Mr. Chairman. Good morning, Director Vought. Thank you for taking the time to come testify and answer our questions today. I want to give you just a moment. You were citing some numbers there in your answers to my colleague across the aisle, and I think you were about to refer to some very wasteful spending that we have worked to curtail, a huge part of what your mission has been at OMB. Would you like to give some of those statistics, please, so the committee can hear and taxpayers can hear what their money was going to?

The Honorable Russell Vought:**00:44:15**

Also differentiate the fact that this administration continues to fund foreign aid, just at the Department of State. That people across the globe are relying on as an aspect of humanitarianism or soft power. Those are now being funded at State.

We did have cuts at USAID to deal with the extent to which the agency was weaponized against, quite frankly, those countries and our own taxpayers. Let me just give you an example. \$24.6 million to build climate resilience in Honduras. \$38.6 million to build low emissions development in West Africa. \$600,000 for listening tours on local development in Timor-Leste. \$12 million for telling the USAID story in Bosnia and Herzegovina. \$13.4 million for civic engagement in Zimbabwe. I can go on and on. That's why we passed the rescissions package last year, which included a number of these reductions, and it's why our foreign aid is now serving with the best of intentions the policy objectives of Congress and the President of the United States.

Rep. Ashley Hinson (R-IA):**00:45:18**

Well, thank you for your clarity on that. And I think everybody agrees that every dollar spent abroad should be advancing American interests in the right way. And I think we can argue that some of those expenditures were not doing that. So thank you for clarifying that.

I want to ask you today about CDFIs, because I think when we look at these specialized lenders that help to make sure that some folks can access capital, we understand their absolutely vital in revitalizing and growing our economies, especially in states like Iowa. We have the first-time home buyer down payment assistance programs to payday alternative loans. The Treasury Secretary has announced that he, of course, supports CDFIs, said that their role in underserved communities is very important. And I do agree when used responsibly, these funds certainly are a significant opportunity to help build our communities. I am very appreciative OMB did apportion the fiscal year 25 funds back in April. Glad to see those also released by Treasury this week. Can you share a little bit more about how OMB is working directly with Treasury and other agencies to support a more cohesive process to ensure those funds are dispersed in a timely manner as Congress intended?

The Honorable Russell Vought:**00:46:23**

Thank you, Congressman. We put out the NOFOs this week. We are implementing the spending as you have put forward in the appropriations process. We have concerns with the program. We've put forward proposals that are similar but different. I have concerns from my perch at CFPB, where I'm in charge of people's ability to repay.

CDFI individuals get an exemption from ability to repay. So when you look at the kind of market and tensions and cracks in the market that could come from that, I have concerns. And then if you look at some of the CDFIs that the Biden administration were funding, and I'll just give you an example of 4.9 million for local initiatives, support corporation that publishes blogs condemning the level of whiteness in community development.

That's the kind of thing that we want to put an end to. It's why it's taken us a little while to get the NOFOs out and the apportionment done. But we understand Congress largely supports this program. We're trying to do our best to make sure it's spent well as best we possibly can.

Rep. Ashley Hinson (R-IA):**00:47:31**

And I appreciate that specific example. If there are any others like that that you could give our office, so that we can go back to the folks who are trying to access programs and say, "Here's what we're actually trying to get rid of so that more of those dollars are available to you," that would be helpful.

Looking ahead to fiscal year '26 funding apportionment, and we're obviously working through fiscal year '27 right now, do you have ideas for the committee or Congress to consider to help ensure funds that may have been delayed, maybe for reasons like you referenced, but other reasons as well, are actually getting through the agencies with OMB moving forward?

The Honorable Russell Vought:**00:48:01**

No, I mean we got the it's a two-year chunk so 25 and 26 and their next task is the 26 and 27 amount and we'll get those out expeditiously.

Rep. Ashley Hinson (R-IA):**00:48:10**

All right, thank you. I yield back, Mr. Chairman.

Chairman David Joyce (R-OH):**00:48:13**

Thank you very much Ms. Hinson. Chair now recognizes the gentleman from Georgia Mr. Bishop for any questions.

Rep. Sanford Bishop (D-GA):**00:48:20**

Thank you, Mr. Chairman, and welcome, Director Vought. As you may or may not know, I have a great deal of interest in agriculture. It's the number one industry in Georgia, and of course, it contributes mightily to the United States economy.

But as reported at the time, operating under several executive orders, the Department of Government Efficiency was active in attempting to cease many of the government operations and activities and to separate many of the federal employees. Employees left USDA through the deferred resignation program. I

think the Office of the Inspector General reported that APHIS lost 25% of its workforce, and the Ag Research Service lost about 23% of its workforce between January of '25 and June of '25.

How many of these staff worked on the New World Screwworm surveillance research and other such activities that were intended to prevent the parasite from reentering the United States? If you just take a note of that. Also, following the deferred resignation program in 2025, APHIS advertised 73 open positions. Tell me, how many of those open positions were for the New World Screwworm surveillance, monitoring, research, preparedness? And then after the administration dismantled USAID, USAID administered projects that funded the animal disease monitoring projects, including those that sought to monitor the New World Screwworm in Central America. In the FY26 budget, APHIS requested additional funds to prevent the spread of New World Screwworm. Did the FY26 budget request include the funding for the screwworm monitoring and surveillance that was previously funded in USAID? And I'd like to ask if, whether or not OMB has used its authorities to assist the international coordination efforts to prevent the spread of New World Screwworm in North America. There's the Food and Agriculture Organization of the United Nations which announced on June 19th a coordinated research project.

Do you intend to allow the United States to participate and to engage with that? How have the policies and the proposed new rules affected research projects on New World Screwworm mitigation? All of this I'm raising because the New World Screwworm is drastically impacting, adversely impacting our farmers, our cattle producers, and the price of food. And I'd like to know whether or not the big, beautiful bill, all of the cuts that were done with D.O.G.E., and the proposals that we are now faced with. What is that doing for the American people?

The Honorable Russell Vought:

00:51:46

Thank you, Congressman. We couldn't agree more in terms of it being a highest priority to deal with the screwworm, to take steps.

If you were to monitor the things that I'm working on at least daily, one of those is that. Making sure we have the resources to combat it and making sure we were doing it early in the administration. I can follow up with regard to FTE levels at APHIS. I don't know those off the top of my head, but we don't believe that this is issue that is under-resourced. We believe that USDA has everything it needs to both create a long-term capability here and also find as many shots on goal to be able to deal with this in real time for farmers.

Rep. Sanford Bishop (D-GA):

00:52:25

The bottom line is, as a result of the loss of the ARS people that were working on the screwworm issue, working to make sure that they didn't come north from Mexico and Central America immediately after these resignations and the loss of all of the expertise, we saw this creep and this drastic increase in the screwworm coming into the United States, and our farmers are really, really concerned about that now.

The Honorable Russell Vought:

00:52:57

We agree that there is an issue that the federal government needs to respond to and we believe that we are doing so robustly with a properly resourced effort led by Secretary Yellen.

Rep. Sanford Bishop (D-GA):

00:53:08

But you did take a step backwards when you curtailed that in the beginning of the administration.

The Honorable Russell Vought:

00:53:14

I wouldn't agree with that. I'm happy to respond to that with questions for the record and follow up with regard to FTEs. People retire, we have to fill those jobs, and many of the people that we were taking steps to reduce, there was a backlog of individuals that weren't necessarily on board with the administration and performing the policy agenda of this administration.

Rep. Sanford Bishop (D-GA):

00:53:40

I'm specifically talking about screwworm.

Chairman David Joyce (R-OH):

00:53:44

Mr. Bishop, unfortunately we'll have to move on, sir. The chair now recognizes the ranking member or vice chair of this committee, Mr. Lawler from New York.

Rep. Nick LaLota (R-NY):

00:53:54

Thank you, Chairman. Thank you for your leadership. Mr. Vought, thank you for being here today, sir. The 2024 election was a choice election that was particularly significant to our nation's trajectory.

For a long time, many folks felt like they were being taken for granted, spoken to during campaign season and forgotten the rest of the year. They felt betrayed by the people and parties who had long claimed to stand with them, only to watch those same voices turn their backs when it came to fight for jobs, wages, and working conditions. They were welders and carpenters. They were plumbers, linemen, electricians, and masons. They were the men and women who lace up their boots early in the morning, pack a lunch, go to work, and put in a full day. And they're the backbone of this country, in my opinion. They're the reason our economy functions, and they're the reason that our infrastructure stands tall. And to put it simply, the 2024 election was a mandate from the American people to show up and fight for the American worker and American jobs. And Director, would you agree with that?

The Honorable Russell Vought:

00:54:49

Yes, sir.

Rep. Nick LaLota (R-NY):

00:54:50

And as many of these American workers are part of the federal workforce. And some of these federal workers are members of the Association of Federal Government Employees, AFGE, whose leadership helped this administration, and more importantly, the country, end the Democrats' multiple shutdowns, the longest shutdowns in U.S. history. I know that I was thankful, Director, that AFGE weighed in to oppose the Democrat-led shutdown. Director, what was the AFGE's leadership – was the AFGE's leadership helpful to ending the shutdown?

The Honorable Russell Vought:

00:55:19

Yes, it was. Thank you.

Rep. Nick LaLota (R-NY):

00:55:20

You had a few conversations with the leadership. How did those conversations go?

The Honorable Russell Vought:

00:55:23

I did not have conversations with the union leadership, but I know members of our team did, and we appreciated their support in that.

Rep. Nick LaLota (R-NY):

00:55:31

Switching gears slightly, Director, are you familiar with the GAO's June 17th report on the federal workforce reductions?

The Honorable Russell Vought:

00:55:39

No, I have not seen it.

Rep. Nick LaLota (R-NY):

00:55:40

It talks about a 6% cut to the federal civilian workforce. Are you familiar with that, Director?

The Honorable Russell Vought:

00:55:47

Yes, I'm aware of the steps that we've taken to reduce the workforce.

Rep. Nick LaLota (R-NY):

00:55:52

No reasonable person should counter your assertion that our debt and deficit situation needs to be addressed. I hope that reasonable minds on both sides of the aisle can sometime come to an agreement on that.

But I want to talk about specifically staffing levels. And the GAO has now reported that staffing at 22 major agencies, measured by employees and pay status, declined by more than 11% between December 2024 and January of 2026. I recognize those are different measures and time frames, but GAO's own data shows reductions on a substantially larger scale than the 6% contemplated in the budget. So my question, Director, is did OMB anticipate workforce reductions of this scale across major agencies?

The Honorable Russell Vought:

00:56:35

Congressman, I have to take a look at that study. I haven't. I will do so after this hearing, and I'm happy to follow up. We responded to the level of FTEs that the agency sent us of where they were and where they thought that they would be heading into the new fiscal year, and so that's how we built the budget.

Rep. Nick LaLota (R-NY):

00:56:53

Let me ask you about one particular example. The World Trade Center Health Program, are you familiar with that?

The Honorable Russell Vought:

00:56:59

Yes,

Rep. Nick LaLota (R-NY):

00:56:59

Congressman established in 2011 to provide health care to individuals with 9/11-related illnesses, staff fell from 93 employees to 84 employees, despite having an authorization of 120 employees. At the same time of that massive reduction, which was well short of that 120 number, there were delays reported in claims processing, treatment authorizations, and enrollment appeals. For a program serving 9/11 first responders and survivors, what should have OMB's early warning indications been that those staffing levels were dropping to dangerously low levels that would impede their ability to deliver on this important mission?

The Honorable Russell Vought:

00:57:37

Well, if we had known about it, we would make sure that they have every adequate resource that they need to perform that function.

And I will take it back and we will see where we are on that. OMB does not have this all-encompassing view of what is happening across the entire federal government. We are a nerve center, and I would agree with that, but we do not have the ability to know everything that is happening in the agencies, and that's one of the reasons I work so hard to stay in contact with members of Congress so that I can learn from what you all are seeing, what the agencies are seeing, and we can move to space where we need to.

Rep. Nick LaLota (R-NY):

00:58:12

I guess I would say this. Speed is important. The debt and deficit situation are dire. We do need to act.

What I would assert, Director, is that when moving fast, and you need to move fast on a lot of these issues, when moving fast that you anticipate some of the issues that will be caused by moving fast. And I'll say one thing with the 25 seconds I have remaining. There is right now being contemplated moving the Army Corps of Engineers New York District Office to New Jersey. It's the New York District Office. It services areas of both New York and New Jersey, but it should remain in New York. And I hope that we don't fall into the same issue of just in the name of saving money, which we should save money, to vastly impede the mission, in this case, of the Army Corps' New York office.

The Honorable Russell Vought:

00:58:56

I'll take it back, Congressman.

Rep. Nick LaLota (R-NY):

00:58:57

Thanks i yield.

Chairman David Joyce (R-OH):

00:59:00

Right on his five minutes.

Rep. Nick LaLota (R-NY):

00:59:02

As you told me,

CROSSTALK:

00:59:02

sir.

Chairman David Joyce (R-OH):

00:59:04

The chair now recognizes the lady from Washington.

Rep. Marie Perez (D-WA):

00:59:07

Thank you, mr. Chair, and thank you, Director Vought for being here today. I want to dig a little bit deeper into the proposed rule to overhaul grants procedure. Have you or anyone else at OMB directed agencies to follow the not yet finalized regulation prior to it being finalized via rulemaking?

The Honorable Russell Vought:

00:59:26

No, this stems from an executive order that the President signed last year. The President's executive order had directed his agency officials to begin to have supervision at the policy official level. This regulation is catching up with that executive order to make sure it's actually reflected in the actual mechanics of grant making.

Rep. Marie Perez (D-WA):

00:59:47

Have you or anyone else at OMB directed agencies to, I saw an updated notice from the National Science Foundation from last week that included guidance to align with the proposed revision into CFR 200. Have you suggested that agencies begin implementing this guidance before the rule was finalized?

The Honorable Russell Vought:

01:00:07

We are certainly working with agencies. Agencies, like I just said, are looking at the executive order and trying to align with the executive order. That said, we are out for comment on our proposed rule. We have probably record numbers of comments have come in. We're going to assess each one of those comments and make any changes that we need to.

Rep. Marie Perez (D-WA):

01:00:27

Is the OMB building an AI tool to flag grants that are misaligned with the administration's agenda?

The Honorable Russell Vought:

01:00:32

We are definitely working on technology, including AI, to be able to have a wider angle lens about what is going on with the federal government. But it's not—it would be something that agencies would use in conjunction with us, and it's certainly not to take the place of agency officials who would be making this determination.

Rep. Marie Perez (D-WA):

01:00:52

Have you awarded a contract for the development or the operations of such a system?

The Honorable Russell Vought:

01:00:57

I don't think we have, no.

Rep. Marie Perez (D-WA):

01:00:59

Why do you think that an AI system, which is itself neither accountable to Congress nor necessarily auditable, is an appropriate mechanism for making policy?

The Honorable Russell Vought:

01:01:08

Well, the congressman from Maryland told me to read every GAO report, of which I would like to have the time to be able to read for that. I would like to have a tool that collates and assesses everything in every GAO report in a way that I can actually make decisions based. That would just be one example. Similarly, there's a lot of information out there on USA spending that I would like to have the benefit for examiners to know who are already stretched thin with regard to their portfolio. That would be an example.

Rep. Marie Perez (D-WA):

01:01:37

How would a future OMB director be able to ensure that such a system works for their priorities, too, or Congress, for that matter?

The Honorable Russell Vought:

01:01:44

Every administration would align their policy objectives, which would be different from administration to administration, to ensure that the grant making and how the agencies are spending taxpayer dollars are aligned with the President's agenda as he got elected on behalf of the entirety of the American people.

Rep. Marie Perez (D-WA):

01:02:05

What happens when a grant is flagged as being inconsistent with administration priorities?

The Honorable Russell Vought:

01:02:09

No grant has been flagged as inconsistent based on the tools that you've articulated, but we are trying to make sure that we're not funding some of this nonsense that I've articulated, and we work with agencies to do that. That's policy official to policy official, and we work collaboratively with our agency partners.

Rep. Marie Perez (D-WA):

01:02:30

What about grants that have been explicitly funded by Congress? Is it your understanding that OMB or an agency could cancel such grants unilaterally?

The Honorable Russell Vought:

01:02:37

Not with regard to earmarks. Sometimes we have an earmark to a specific person or a specific organization, and that would probably be at the top of the list that needs to be funded, but that is not something that is impacted by these grants.

CROSSTALK:

01:02:55

Making.

Rep. Marie Perez (D-WA):

[01:02:56](#)

Do you anticipate that states, cities, or Congress has any recourse in cases where OMB decided that a grant was inconsistent with your priorities, and do you believe the proposal provides due process? Well,.

The Honorable Russell Vought:

[01:03:05](#)

Yeah, I do. You keep referring to this as OMB making these determinations. Again, this is agency officials that would be making these determinations based on the instructions given to them in the executive order.

Rep. Marie Perez (D-WA):

[01:03:17](#)

Congress appropriated \$100 million from [H.R. 1](#) to OMB last year. Have you spent any of that \$100 million on moving career OMB personnel to the CFPB building at 1700 G Street, and do you plan to?

The Honorable Russell Vought:

[01:03:29](#)

We have not spent any money from the \$100 million for the move.

Rep. Marie Perez (D-WA):

[01:03:32](#)

How many OMB staff currently have their salaries paid out of funding originally appropriated for USAID or CFPB?

The Honorable Russell Vought:

[01:03:40](#)

None.

Rep. Marie Perez (D-WA):

[01:03:41](#)

Can you provide an overview of the funding streams used to pay OMB staff salaries since the beginning of the administration?

The Honorable Russell Vought:

[01:03:48](#)

It's all of OMB salaries have been paid for by the OMB appropriation. The only qualification I would have to say is that there are people like me who are doing work for CFPB, of which I'm not getting a paycheck. My general counsel is another one, who is the deputy director at CFPB, not getting a paycheck at CFPB. And so if the question is, what are the relationship between OMB and CFPB, we're not changing funding back and forth with regard to FTEs.

Rep. Marie Perez (D-WA):

[01:04:22](#)

Thank you.

Chairman David Joyce (R-OH):

[01:04:24](#)

Thank you very much. The chair now recognizes the chair of the Transportation, Housing and Urban Development Subcommittee of this Appropriations Committee, Mr. Womack, for his five minutes.

Rep. Steve Womack (R-AR):

01:04:35

Thank you, Mr. Chairman and former chairman of this subcommittee as well. Director Vought, thank you again for being here and thank you for your service. As as was just indicated, I chair the Subcommittee on Transportation and Housing and Urban Development. So I'm going to go back to the SUP for just a minute because you referenced that earlier in response to another question and, in your words, you said those items were pressure tested, correct?

The Honorable Russell Vought:

01:05:01

Yes,

CROSSTALK:

01:05:01

Congressman.

Rep. Steve Womack (R-AR):

01:05:02

What does pressure tested mean?

The Honorable Russell Vought:

01:05:04

Well, a lot of times agencies have ideas for what they would like to spend on, and you look at them, and they don't have the level of rigor and analysis that you would expect of us when we request funds from Congress. Would it include.

Rep. Steve Womack (R-AR):

01:05:22

A sense of urgency? Yes. That it's a supplemental request, wasn't covered previously, but this is an emerging issue. For example, a lot of that money, most of that money, two-thirds of that money was Pentagon spending in response to Epic Fury, replenishing some of these accounts. So that is a sense of urgency, is it not?

The Honorable Russell Vought:

01:05:41

Yes, congressman.

Rep. Steve Womack (R-AR):

01:05:41

Okay, so there are two, not to be terribly parochial with THUD, but there were two items in that supplemental that affect my subcommittee.

I want to ask you about both of them. One of them was the department's brand new air traffic control BNACS initiative, which, by the way, I strongly support the President's goal of updating our air traffic control system. And I commend Secretary Buttigieg and Administrator Dickson for the progress that they've made. But in this supplemental request, in somewhat contradiction of what we did in the one big beautiful bill, you would provide the FAA administrator with complete and total discretion to reallocate how that \$12.5 billion is spent provided for the BNACS initiative. Now, I appreciate the benefits that additional funding could provide, but I'd like to know, I'd like for you to tell me how the BNACS initiative, this ability for the administrator and the secretary to control all that \$12.5 billion outside the scope of these appropriators is, how that would benefit the BNACS initiative can you help me with that?

The Honorable Russell Vought:**01:06:56**

Yeah, you bet. There are two tensions within the air traffic control modernization. Number one is we are going to have to come back to you for additional funds beyond what was in one big beautiful bill. We understood that there was a little bit of skepticism with our ability to spend the money that you gave us with one big, beautiful bill. And Secretary Duffy is going at breakneck speed to be able to allocate those and get those on contract.

Rep. Steve Womack (R-AR):**01:07:19**

But it was the intent of Congress to put those in buckets within the various jurisdictions of the FAA.

The Honorable Russell Vought:**01:07:27**

And we're here to ask for this. We're not saying that we have the ability to just transfer the funds. We're saying with regard to one particular interface, we don't have the money that right now that Secretary Duffy can get going on it, and we want the ability to do that and have a little more flexibility to do that before we come ask for funds.

So we don't want to be in a situation where we're coming up and asking for additional billions of dollars, and you're I haven't spent, you haven't spent the money that we gave you. We haven't spent it, we are spending it, but we haven't spent it in the one key area of which you have not given us resources.

Rep. Steve Womack (R-AR):**01:08:02**

Okay. The other one was Penn Station. Billion dollars. Sense of urgency?

The Honorable Russell Vought:**01:08:09**

Well, we define urgency, Congressman, with regard to the fact that our scarcest resource is time. And so this administration wants to take on some of these big infrastructure initiatives.

This would be one of them. Obviously, we're working on a highway bill with Congress right now. But if you've seen Penn Station compared to the Moynihan building, the Moynihan building is just incredible. We want Penn Station to be on that level of modernization, and we don't have a lot of time to do it. So we, to the extent that we have a resource need, we want to be up here in front of you.

Rep. Steve Womack (R-AR):**01:08:46**

My last question is regarding project labor agreements. I applaud the Trump administration's efforts to cut spending where appropriate, and we have a responsibility to ensure taxpayer dollars are stewarded in such a way that they go further for the American people.

However, in my opinion, PLAs diminish competition and increase the cost of federally funded construction projects. In a memo last June, you clarified that the Trump administration supports the use of PLAs when those agreements are practical and cost-effective.

So, we're probably going to have to take this for record, but I'll go ahead and finish the question and then give you an opportunity to respond to the committee in writing on this question. And that is, What specific analysis or economic calculations are used in the evaluation of these PLAs that found their genesis back during the Biden administration? And with that, Mr. Chairman, I'll yield back my time.

Chairman David Joyce (R-OH):

01:09:47

Thank you, sir. And the chair now recognizes Mr. Ivey for five minutes of questions.

Rep. Glenn Ivey (D-MD):

01:09:52

Thank you, Mr. Chairman. **HR1**, I call it the big ugly bill, was signed about a year ago and \$150 billion of the mandatory, it contained about \$150 billion in mandatory defense spending.

The Honorable Russell Vought:

01:10:07

Correct yes.

Rep. Glenn Ivey (D-MD):

01:10:09

Okay. My understanding is that you still haven't spent or a hundred billion of that still has not been spent. Is that correct?

The Honorable Russell Vought:

01:10:17

We are aggressively getting the money out the door this year and working with DOW on that, but we have not spent all of the money with regard to one big beautiful bill.

Rep. Glenn Ivey (D-MD):

01:10:27

Okay, but it's a hundred billion that it hasn't, that's a yes, that it hasn't been spent yet.

The Honorable Russell Vought:

01:10:31

I wouldn't want to say I can respond specifically what the level is, but suffice it to say we're working to get all of the money out the door in the fiscal year that we are in. We're talking about needs that are, okay, we're not accounted for in that bill.

Rep. Glenn Ivey (D-MD):

01:10:45

Fair enough. And in the, in the President's budget request in April for defense spending, that was \$1.1 trillion.

The Honorable Russell Vought:

01:10:54

It was \$1.5 trillion for defense, \$1.1 allocated to the appropriations process, and \$350 billion for reconciliation.

Rep. Glenn Ivey (D-MD):

01:11:04

And \$250 billion more for defense spending and had been there last year, is that correct?

The Honorable Russell Vought:

01:11:12

We would have gone from \$1 trillion to \$1.5 trillion. All right. 42% increase.

Rep. Glenn Ivey (D-MD):

01:11:18

And then the \$67.1 supplemental. I think someone asked you earlier about that. And we got a letter from you that contained, that had, I think, about four pages, a spreadsheet that sort of laid out what the purpose of the request was. And this is from a letter that you sent us on June 24th. Do you recall that?

The Honorable Russell Vought:

01:11:41

I'm happy to take a look at it.

Rep. Glenn Ivey (D-MD):

01:11:44

This is the one you sent, and this one contained the explanation, I guess, for the \$67.1 billion. I'd note that it's one long sentence, and some of the explanations here are \$1.2 billion for administration priorities, which doesn't give a lot of detail. When you were testifying earlier, you said that you got information about these types of requests from your departments. Have you provided details that support this amount of funds to the Congress in support of this request?

The Honorable Russell Vought:

01:12:22

Yes, and we will provide as much information as this committee requires to work with you on that matter. I know DOW will be a partner in that in answering any questions that you have with regard to the need.

Rep. Glenn Ivey (D-MD):

01:12:34

What are the administration priorities? I think that's a \$1.2 billion piece of the request.

The Honorable Russell Vought:

01:12:40

I'd have to look at what you're referring to, but the main thrust of this is to pay for Operation Epic Fury needs and to also begin to buy down some of the requests that we've asked you at the end of fiscal year '26 and to start '27. For instance, munitions. I mentioned in my testimony, we want to be able to have multiyear procurements that allow us to pay here and now.

Rep. Glenn Ivey (D-MD):

01:13:06

For a facility to be put online. Well, munitions is a separate category. In the spreadsheet that you provided us, munitions was a separate category. I'm just trying to make sure I understand what that is, because it's a significant amount of money. I think he would agree. And again,.

The Honorable Russell Vought:

01:13:18

I'm happy to look at anything. We also want to be very circumspect in an open setting. We'd also.

Rep. Glenn Ivey (D-MD):

01:13:25

Like to know in advance of when these things come up for votes as to what the money specifically would go

CROSSTALK:

01:13:30

To. We're

The Honorable Russell Vought:

01:13:31

Going to make sure you have everything you need before any vote.

Rep. Glenn Ivey (D-MD):

01:13:34

We've already marked up,

The Honorable Russell Vought:

01:13:37

Put 12 bills. Not on a supplemental. He's referring to the supplemental appropriations process.

Rep. Glenn Ivey (D-MD):

01:13:41

Well, I think overall the process would work better with respect to us making appropriations determinations if we had these estimates and this information in advance of the markups, but I appreciate where you are. And I understood it better the first year because you were just coming in, but for year two, I think it's problematic for us.

And it's not just with respect to OMB, it's from the departments across the board. But let me just ask you this, because I'm running out of time. Last week at one of the appropriations markups, there was a discussion. I know you're using the phrase Department of War instead of Department of Defense. But we were told that the CBO said it's going to cost \$125 million to change the name from Department of Defense to Department of War. Do you agree with that?

The Honorable Russell Vought:

01:14:30

Estimate? We haven't done our own estimate at OMB on the cost, but it's something that I think makes common sense. It's what the department was called for most of our nation's history.

Rep. Glenn Ivey (D-MD):

01:14:40

I'm focused on the amount. The nomenclature concerns me less from an appropriations committee standpoint than the fact that we're going to spend \$125 million or so. You're not challenging the number.

The Honorable Russell Vought:

01:14:55

I said we haven't looked, we haven't taken our own assessment.

Rep. Glenn Ivey (D-MD):

01:14:58

But that's a lot of money, and we spent a lot of time hearing that a lot of the needs that we'd like to fund, we didn't have the money to fund. So with that, I yield back.

Chairman David Joyce (R-OH):

01:15:07

The chair recognizes Mr. Cloud.

Rep. Michael Cloud (R-TX):**01:15:11**

Thank you, Chairman. A lot was, much to do in this committee asking the question whether it's morally right or not to facilitate the death of children. I find this rich coming from people who supported an administration that forced taxpayers to fund the largest human trafficking operation in human history.

Still today, we are at a loss to where two to three hundred thousand of the kids who came across our border are as we're trying to find them. I visited the facilities where over half the women who come across have been sexually assaulted on the journey. Of being from South Texas, I visited the ranches and seen the rape trees where cartels had done horrific things to women and celebrated it.

And for one, I'm thankful to see that we have an administration who's putting dollars back to where they should be. It was also pointed out USAID had, we cut funding to that, and in the way that Washington, D.C. measures success by how much dollars we send out as opposed to whether they're accomplishing what they're supposed to accomplish. It's been said in all these studies, as you mentioned, based on false science, whether or not people are being killed because of that.

The latest data coming out is actually showing that, remarkably, mortality rates in South Africa are going down following this. And a lot of these, do you suppose that sometimes it's possible that we actually save money by spending less money, or save lives by spending less money?

The Honorable Russell Vought:**01:16:54**

I do and I would also say that this administration, the State Department is working with these countries to have these agreements that ensure that the money is being really well spent and goes to better care directly to people in need and not necessarily through NGOs that don't share something other than a divisive worldview.

Rep. Michael Cloud (R-TX):**01:17:16**

A lot of things we've seen, and certainly this was true the last administration, not uniquely to the last administration, but dollars would go out the door.

We'd have really no idea what they were going to. We're finding out as we've been looking into this and some of the technology tools that you have brought to the table and others working with the administration, a lot of these billions of dollars have been going to bad actors working against us, our purposes, our agendas, even foreign entities, foreign states. That I know in the last, what, few weeks of the administration, \$80 billion went out the door. I think \$40 billion in loans in just two days, which was like ten times more than or more than ten years worth of that had gone out previous.

You are working on a proposed rule that would place a lot more safeguards on the taxpayer's dollar going out the door, some of which I appreciate. Some of it seems so simple to business owners to talk about, let's not send dollars to dead people, and other things. Could you speak to some of the safeguards that you're.

The Honorable Russell Vought:**01:18:19**

Well, definitely. One of the most press-worthy of the reforms that we've had that has gotten the attention of the other side is the extent to which we have cancellation provisions in these grants.

And people say, "Oh, are you going to just kind of do that in a heartbeat?" No, we're not going to do that. But if we find that NIH is giving money to the Wuhan Institute from Tony Fauci and NIAID to the Wuhan

Institute, and we need to cancel that grant, in the middle of a pandemic that it contributed to with its gain-of-function research, we need to have the ability to turn the grant off.

That is probably the best example of why we need to include these types of provisions is because when we find something that's problematic that our policy officials would not have caught, we need to be able to turn it off. And it is not something that will be anti-science in any way. It will be still the basis of peer-review science and work that is done on a comprehensive and well-thought-out basis by our agencies.

Rep. Michael Cloud (R-TX):

[01:19:25](#)

There's been a move to kind of tout the career bureaucrat working in our administration. No doubt there are some who are here doing their best to do the Lord's work and serve the people well. But at the same time, there's this messaging idea, and it was actually stated here in this committee, maybe we should follow their agenda as opposed to the President's agenda. The Constitution is very clear that all executive authorities invested in the President and that they should be doing the President's will.

So I applaud your efforts to ensure that the administration is being tied. One thing I did want to touch on, I think we're going to run out of time, but there's about, I think, \$14 billion that we passed in OB-3 that was supposed to go to states who helped fund border security. If we can get an update on where that's at, we thought by now that might have gone out the door.

The Honorable Russell Vought:

[01:20:17](#)

We put both NOFOs out recently. I had very good conversations with many of your delegation mates and as well as your governor. Those NOFOs are out and we will be looking forward to assessing the requests that come in from Texas and others.

Rep. Michael Cloud (R-TX):

[01:20:32](#)

Thank

Chairman David Joyce (R-OH):

[01:20:33](#)

Thank you, Mr. Cloud. And the chair would now recognize, and I would have normally recognized her immediately after Mr. Hoyer, but at her own request, she, as being a team player, wanted to go to the back of the line, the distinguished lady from Connecticut, our ranking member.

Full Committee Ranking Member Rosa DeLauro (D-CT):

[01:20:50](#)

Thank thank you so much, Mr. Chairman. Director, I mentioned the proposed rule to overhaul grantmaking in my opening, which seeks to subject virtually all federal funding to the whims of the President's policy priorities.

It substitutes the current standard of evidence and science in favor of political tests based on ideology. I've talked to a number of groups, and many of the groups have asked for, and I think they may have requested, more time to be able to read. It's a 412-page document, so that they can participate in the public comment period. Can you commit to granting a 45-day extension of the comment period?

The Honorable Russell Vought:**01:21:31**

No, but I will say this. The number of comments that are coming in that we have to respond to is going to take us some time.

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:21:39**

The answer is no. I think one of the striking aspects of the proposal is attempts to put the OMB director at the center of all decision-making here. Not true. And why are you a better judge of an NIH clinical trial than a panel of medical doctors and researchers?

How will you ensure the grants will be based on merit and individuals and communities served by the federal grants will receive the highest level of service possible? Is there a listing, if you could get to us, of the agency's priorities, the president's priorities? What is the set of criteria you are using to judge these grants? What precludes you from changing the criteria in the middle of a grant period? Because as I understand it, not only can political appointees take control of grant awards, active grants can be terminated at any time for any reason. And I went through some of these efforts, but you can cancel it at any moment. Is there a set of criteria that we could have that demonstrates to us why these grants are being canceled?

The Honorable Russell Vought:**01:23:02**

Congress, you're misconstruing the proposal to make it seem as if it is OMB-centric. OMB will not be making these determinations. We don't have a formal review in reviewing every NOFO. That is not something that we intend to take on. These are the policy officials at the agency of which the president has

CROSSTALK:**01:23:22**

Put these cabinet secretaries into office. Let me just reclaim

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:23:25**

My time. But the fact of the matter is, is we understand it, and this is probably the most consequential change in the rules. Senior political appointees, rather than career scientists and program officers, would now be required to conduct a quote, pre-issuance review of every discretionary grant before it is awarded.

These appointees are explicitly forbidden from deferring to peer reviewers or routinely ratifying their recommendations. This is in the 412 page document, and maybe you think that people weren't going to read it. And then there is no longer peer review. Peer review is no longer binding. A political appointee can simply override the scientific community's judgment with no finding of cause. That is what is a part of this rule, which is it dismantles what we established after World War II for the National Institutes of Health, for the National Science Foundation, for Department of Energy, for NASA.

It really reverses how we have awarded grants in the future. Are you shaking your head no? But that, in fact, which is what the fact of what you are trying to do with a political lens and someone's political ideology. I have one more question for you. Have you released all appropriated funding to each intended agency through the apportionment process?

The Honorable Russell Vought:

01:25:05

We were working through the apportionment process expeditiously. I can't say we've done every single one of them, but if you have one that you're particularly

CROSSTALK:

01:25:15

Interested in. No, but

Full Committee Ranking Member Rosa DeLauro (D-CT):

01:25:15

I'm just saying it is your responsibility to get the money out of the door in a timely fashion. And if you can't do this, we need to

The Honorable Russell Vought:

01:25:22

Take a look. Because Congress provides the authority for this. This would be a full year

Full Committee Ranking Member Rosa DeLauro (D-CT):

01:25:26

Apportionment. How much funding has been made available. How much funding have you made unavailable to agencies as of today? If you can't answer that, now I would like an answer to that.

The Honorable Russell Vought:

01:25:38

Happy to, but again, there's no concerted effort not to apportion funding for the

Full Committee Ranking Member Rosa DeLauro (D-CT):

01:25:42

Agency. It's not going out in a timely way. I can just go through. Because.

The Honorable Russell Vought:

01:25:45

We're trying to assess what it's being spent on. Right.

Full Committee Ranking Member Rosa DeLauro (D-CT):

01:25:47

No, I get it. Will you commit to us here today that you will carry out our spending laws as Congress intended, through appropriations and reconciliations, as they were enacted or not?

The Honorable Russell Vought:

01:26:02

Obviously, we will take and make sure that we're spending money where you intend us to spend money. At the same time, I'm

CROSSTALK:

01:26:10

Not going to take a tool off the table. No, the answer to that then is no. You

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:26:15**

Are not going to spend the money that Congress in a bipartisan way enacts. Yes, you did. I yield my time back.

Rep. Chuck Edwards (R-NC):**01:26:26**

Thank you, Mr. Chair. Director Vought, thanks for being with us this afternoon. Thanks for your service. I know that you're in a very precarious situation administering all the money that is appropriated by Congress. I can only imagine the complications. I take it somewhat personal and offensive that you were treated so disrespectfully earlier in our conversation regarding USAID. I think that we all can agree that every loss of an innocent life is a tragedy. And the reason I take this so personal is I serve as vice chair of the NSRP Appropriations Subcommittee and I know how hard that Mario Diaz-Balart and myself and the rest of the team has worked to help ensure the efficient spending of our taxpayers' dollars.

But I think it's misleading to suggest that a U.S. policy change can be judged by isolated claims while ignoring the millions of lives that American taxpayers have saved through decades of humanitarian aid. The goal is to ensure that aid is effective, accountable, and reaches those that really need it. And I'd like to give you just a few seconds if there's anything you'd like to add to that conversation when you were so rudely cut off.

The Honorable Russell Vought:**01:27:59**

No, thank you Congressman. I would just say affirm the administration's agreement with what you just said. We have requested foreign aid at the State Department. The President cares greatly about continuing to fund areas where we can be effective and to make sure it's done on an efficient basis and to actually make sure we get to real care for real individuals.

Rep. Chuck Edwards (R-NC):**01:28:22**

Thank you for that. I'd like to shift gears just a little bit to Western North Carolina. We were hit by Hurricane Helene on September 27, 2024. And we've had somewhat of a mixed bag of dollars coming out of the federal government to Western North Carolina.

They seem to have really picked up. The momentum has picked up. And many of the projects for us to rebuild have been funded at a far quicker rate in the last few months. Can you give me any perspective on is something different? Are you doing something different? Is Mark Wayne Mullen doing something different? Have we just gotten better? What's taking place there and what lessons have you and Congress learned to deal with the next natural disaster?

The Honorable Russell Vought:**01:29:15**

Thank you, Congressman. It's a team effort, but I will say that I, as we've worked personally to drill down very, very deep in several layers of bureaucracy to make sure money is going out the door.

You were an incredible advocate for your district in that way. And we're doing that across the board. In some part, that's kind of what dealing with bureaucracy is. I think the Secretary is doing a great job. We in general needed to get the DHS funding out the door much more regularly. BRIC, the program, would be an example of one. In my last hearing, which I talked with Congresswoman about, we want to get that money out the door, and I think the current team is doing that.

Rep. Chuck Edwards (R-NC):**01:29:57**

Thank you. And I'd like for this committee to know that Director Vought appeared before another committee that I was attending several weeks ago. And when I mentioned the problems that we were having, Director Vought invited me to his office that very afternoon.

And as a result, we saw millions of dollars coming into Western North Carolina. So, I thank you for that. My last question is this. According to my research, the federal government now has about 292,000 less employees than it did when President Trump took office. And most of us conservatives are really happy with that. Our goal in coming to Washington, D.C. was to see less government.

Can you speak, is that an accident? Is it something very intentional? And where's the floor there? How much more do you think that we might be able to save if we really sharpen our pencil?

The Honorable Russell Vought:**01:31:03**

Well, I would leave that to the agency officials that are seeing their programs and their FTEs. We got some great feedback from your colleague that are assessing where they need to go deeper and where they need to go higher.

And that is a balance that they, each one of them, are going to be kind of their expert on it. For my part at OMB, I'm trying to increase to a higher level based on the fact that when you ask us for DREG, deregulatory initiatives, we need more people to be able to do that. We need more people to be able to drill down into bureaucracy and get the money flowing as intended by Congress. So, I think it'll be agency by agency, and I wouldn't want to give kind of a broad view of that other than to say that the agency officials are constantly thinking through what their adequate FTE level should be.

Rep. Chuck Edwards (R-NC):**01:31:51**

I'll summarize by saying thank you for the reduction, and thank you for your service, Mr. Chair. I'll yield back. Very kind.

Chairman David Joyce (R-OH):**01:31:58**

Thank you. Realizing that that was so much fun the first round here. There are some questions here that I asked you a question and I'd like to hear your answer for the record. We're going to go three minutes. Does that work for folks if they have questions that were unanswered?

Ranking Member Steny Hoyer (D-MD):**01:32:15**

Okay mr. Chairman, in light of the fact you're answering, you may impose that, but the answer is I do not agree.

Chairman David Joyce (R-OH):

01:32:25

All right. And while I appreciate you, my wife just texted me that our daughter's water has broken and she's getting ready to leave for the hospital on her first grandchild. So three minutes works for me, sir, because I'm going to be out of here this afternoon. I would re-ask the question, but you're right, man. I just want to know, how will centralizing all those functions from the executive orders translate into efficiencies across the federal government, and how will taxpayers benefit from the consolidation of all that power through the executive orders that we talked about before?

The Honorable Russell Vought:

01:32:59

What I would say is every time you see an executive order, there's a responsibility there for the Office of Management and Budget to be able to perform government-wide functions, and the level of things that we've been asked to do has therefore increased. And so, we are trying to use each one of those as an opportunity to get better at what we do. And the work before us is certainly immense, but we're excited to do it.

Chairman David Joyce (R-OH):

01:33:25

OMB received \$100 million from the Working Families Tax Cut Act, also known as the big beautiful bill, for the purpose of finding budget and accounting efficiencies in the executive branch. Would you walk us through that, how money was spent, what efficiencies you've identified, and how the committee can expect to be informed of those results?

The Honorable Russell Vought:

01:33:46

It is almost entirely based on additional FTEs. We want to take OMB FTE level up to around 675 in terms of our footprint, up from where we are right now at around 500 employees.

We believe we need those employees. My hope is that we can work as a to give you enough information so that over time this subcommittee can fund OMB so that there is not a gap. We have to use that money within a three-year period. We haven't spent that money yet because we're not going to obligate or apportion to the need until we are ready to actually hire people and I will tell you it is not quick to be able to hire the FTEs, but it is one of my highest priorities to be able to scale to that. And, and that, what you are getting with that is the OMB and the career staff, these are career staff largely, that will be able to provide the important civil servant work that they, that you've come to know and appreciate from OMB. And so that's what we're trying to do with that number.

Chairman David Joyce (R-OH):

01:34:55

I appreciate that, and I have 50-some seconds left here. I noticed in, for the recent budget, that DOJ was pretty much eliminated. Is there something that you're going to present, or is there somewhere we can find what exactly DOJ accomplished as far as reductions in dollar spent, people at agencies, or whatever? Is there going to be some documentation of what took place?

The Honorable Russell Vought:**01:35:21**

We have no plans to do kind of a closing DOJ report. We're always happy to give you our assessment of that work. I think it made some really important strides. You all passed many of the reductions that DOJ found just through the normal appropriations process when you ended the year so much lower than the year before. We did some of that in the rescissions package, and so many of the fruits of their labor are sprinkled all across the government, but I'm always happy to work with you on what you feel like you need.

Chairman David Joyce (R-OH):**01:35:53**

You're very kind. Now recognize the Ranking Member, Mr. Hoyer, for his three minutes.

Ranking Member Steny Hoyer (D-MD):**01:36:00**

Thank you very much, Mr. Chairman. Are you aware of the fact that Labor Health dodged \$21,000 in reductions through the number of three or four options that were available, and they're now in the process of hiring 12,000 back?

The Honorable Russell Vought:**01:36:14**

I don't know what you're referring to specifically, but I'm happy to look into it.

Ranking Member Steny Hoyer (D-MD):**01:36:19**

Well, that was the testimony of Secretary Kennedy. So the chainsaw apparently went a little too deep. What analysis was done prior to DOJ's activity to identify the objectives of their cutting?

The Honorable Russell Vought:**01:36:38**

You'd have to ask DOJ and many of the—

Ranking Member Steny Hoyer (D-MD):**01:36:41**

DOJ won't come up here, apparently.

The Honorable Russell Vought:**01:36:43**

Well, all I will say is that everything that we have put forward at OMB, which incorporate many of the suggestions, which I kind of view DOJ as a consultant to the agency officials, we have backed that up with all of the analysis. And DOJ also represented in a new administration coming on and making great aggressive strides to lower the footprint.

Ranking Member Steny Hoyer (D-MD):**01:37:03**

The chairman's limiting us to just three minutes, so we can't do much substance here. Are you aware of the fact that IRS has been, enforcement has been cut some by your proposal, 28%, and by the Congress's action in the House by 19% in enforcement? And that we've gone from 9% looking for fraud in IRS filed returns of people over a million dollars, which are the more complex returns, to six-tenths of a percent. Do you think that's a very efficient way to assure, A, people do not cheat, and B, that we collect the some \$700 billion that almost every IRS commissioner, Republican and Democrat, have determined are due and owing but not paid?

The Honorable Russell Vought:**01:37:58**

One of our objections to the Biden administration was their scaling of the IRS with almost a viewpoint that they would leave no audit left behind, and I don't think that's the American that people want that. I said.

Ranking Member Steny Hoyer (D-MD):**01:38:09**

Six-tenths of a percent. It was at nine percent. That is leaving 91 percent of the returns over a million dollars not audited. That's a big high incentive for people not to worry about doing it correctly.

The Honorable Russell Vought:**01:38:22**

We have invested in the IRS. We're trying to make sure that the experience that the IRS, in terms of the taxpayer services, is something that would be historically better. And we're making great strides at that. I know that Secretary Yellen is very active in that.

Ranking Member Steny Hoyer (D-MD):**01:38:38**

Secretary Vought hasn't testified to this committee this year, so I'm not sure what he's about. But we're trying to invite him up now that the budget's done. You are saying you need more people. Every IRS commissioner I've talked to over the last 45 years has said they need more people in enforcement.

Neither party, in my opinion, we put a \$80 billion or give or take in the IRA to try to, both from a technology standpoint and from an enforcement standpoint, make sure people are paying that which is required by law to be paid, no new taxes, required by present law. Let me say something because the time is very brief. The largest increase in the debt in my service in the Congress was under Ronald Reagan as a percentage. The debt was \$985 billion when I came to Congress, the total national debt. Every director who has told me we're going to get rid of fraud, waste, and abuse, the debt has gone up. Republicans and Democrats. Mitch Daniels said the same thing you have said today when he was after the Bush tax cut.

The debt has gone up. Are you saying you believe that the debt is going to be reduced as a percentage of our GDP as a result of your big bad bill or other fiscal legislation or expenditures like fixing pools, tearing down the East Wing of the White House.

The Honorable Russell Vought:**01:40:27**

Here's what I'll say, Congressman. We're the only administration since 1997 to have any tangible victory and to put an end to fiscal futility that has reigned for two

Ranking Member Steny Hoyer (D-MD):**01:40:36**

Decades. That was the budget balance. Thank you.

Rep. Ashley Hinson (R-IA):**01:40:42**

Thank you, Mr. Chairman. We have talked a lot about fraud, a very important topic of conversation. Not to be overlooked, though, I think is the blatant disregard by some bureaucrats for improper payments.

I know President Trump shares this goal. Myself, members of Congress have recognized wasting of taxpayer dollars needs to stop, and we're expressing a need for some systems in place to make sure that those hard-earned dollars are not being misused. The president's executive order obviously 14249 to protect

America's bank account. And then I introduced [HR 2597](#), the Protecting American Taxpayers from Wasteful Spending Act, which would codify said executive order. Can you update us on the implementation of that executive order and what is happening to protect America's bank account against waste, fraud, and abuse?

The Honorable Russell Vought:

[01:41:27](#)

Thank you, Congresswoman. In the spirit of Congressman Edwards, we are doing a lot of work behind the scenes, bureaucracy to bureaucracy, agency to agency, to get those agencies to use the do not pay system and to kind of cut through paperwork that takes forever, just get them in to be able to use the system and get that cultural muscle memory working. We don't think we need new authorities to do, though, but we always welcome them where you feel like you can expedite things for us.

Rep. Ashley Hinson (R-IA):

[01:42:00](#)

Congress obviously continuing to support the reining in of those improper payments and encouraging the administration to do so. We had House Resolution 1335, which would really lay out some meaningful policy reforms to improve fiscal responsibility, including program eligibility and spending activities that should actually be verified before those payments go out. Can you share with us some of the additional practices that you've implemented, short of obviously the interagency workings that you're referencing there, but to ensure that the efficiency and accuracy in dispersing that funding is responsible and transparent?

The Honorable Russell Vought:

[01:42:34](#)

Well, we've stood up an entire task force at the leadership of Vice President Vance that is building on a number of the DOJ efforts like Defend the Spend at HHS to assess, do we even know what we're spending on, and to make sure on the back end and on the front end, we're eliminating improper payments. We're going very hard from an enforcement perspective with regard to fraud. It's something the President talks about constantly in setting a vision for his fiscal team as to the types of things that he wants us to focus on, and we'd love to continue to work with you on it.

Rep. Ashley Hinson (R-IA):

[01:43:10](#)

What percentage of the expenditures do you think, of the improper payments, are actually fraudulent?

The Honorable Russell Vought:

[01:43:15](#)

I wouldn't want to say what a percentage. I don't want to make a guess on that. But I think they're substantial. And I think the extent to which we don't focus on them and we think it's a small problem is why we never actually make progress in this area. And so I'm very grateful that we are focusing on it and there is such an active interest here in Congress on it.

Rep. Ashley Hinson (R-IA):

[01:43:37](#)

Thank you. I yield back, Mr. Chairman.

Chairman David Joyce (R-OH):

[01:43:41](#)

Thank you. Mr. Pocan would be next.

Rep. Mark Pocan (D-WI):

[01:43:48](#)

Thank you, Mr. Chairman. So, how much does DOJ cost us? What do we spend on staffing of DOJ?

The Honorable Russell Vought:

[01:43:54](#)

I don't think DOJ cost us much at all in terms of net savings. What did it cost.

Rep. Mark Pocan (D-WI):

[01:43:57](#)

Us? That's not an answer. So, if I say what's your favorite color and you tell me \$13,000, that's an answer and it's not a disagree with the answer, it's a non-answer. So, do how much DOJ cost us?

The Honorable Russell Vought:

[01:44:08](#)

I don't believe DOJ cost us anything. They saved us.

Rep. Mark Pocan (D-WI):

[01:44:11](#)

Do how much we spent on staffing of DOJ?

The Honorable Russell Vought:

[01:44:14](#)

Off the top of my head, no, I do not know what we spent on the very few DOJ staffers that there were. Many of these people were volunteering.

Rep. Mark Pocan (D-WI):

[01:44:22](#)

Gotcha. When the staffing question, we were told by Secretary Yellen that there had 21,000 people were fired and they had to bring back 12,000, which seems like a complete mess. Do how many people overall were let go in the last year and a half and how many had to be brought back?

The Honorable Russell Vought:

[01:44:41](#)

No, not off the top of my head.

Rep. Mark Pocan (D-WI):

[01:44:42](#)

Okay, if you could get us that information, I'd appreciate it. Do how much we spent on the war in Iran so far?

The Honorable Russell Vought:

[01:44:48](#)

We've spent about \$30 billion. \$30

Rep. Mark Pocan (D-WI):

[01:44:52](#)

Billion? So I'm going to hold you to that because people are saying it's more like \$100 billion.

The Honorable Russell Vought:

[01:44:58](#)

Well, I'm just telling you what I've heard from the Department of War and the analysis that they've given us.

Rep. Mark Pocan (D-WI):

01:45:02

Okay. I'm just going to remember today, June 30th, 2026. You're saying as of today, \$30 billion is what we spent.

The Honorable Russell Vought:

01:45:12

That's the number that I have.

Rep. Mark Pocan (D-WI):

01:45:13

No, I appreciate that. The PEPFAR, there still has not been about \$700 million released, and we're down to a few months before end of September. Will that money be released by the department of State?

The Honorable Russell Vought:

01:45:25

We will spend all the PEPFAR that has been appropriated. Sometimes there are different fiscal years that you might be referring to, and these PEPFAR has spent over many, many years.

Rep. Mark Pocan (D-WI):

01:45:36

I think there's 700 million left.

The Honorable Russell Vought:

01:45:39

We will make sure that PEPFAR spending goes out the door.

Rep. Mark Pocan (D-WI):

01:45:44

Thank you. Appreciate that. Finally, I think there's \$3.2 billion that came from funds earmarked by Congress for global health and development programs that is unobligated. If not obligated by September, that money will expire, can no longer be spent. Is that going to be spent, that money? It's not going to be done as a pocket rescission?

The Honorable Russell Vought:

01:46:04

I'm not going to take any two off the table, but we have no plans to do a rescission at this point, and we will make sure that we are getting the money out the door expeditiously.

Rep. Mark Pocan (D-WI):

01:46:13

Okay, but do you predict that money will be spent before the end of September?

The Honorable Russell Vought:

01:46:16

I don't want to make any predictions other than to say that our current plans to get the money out the door

Rep. Mark Pocan (D-WI):**01:46:20**

Just so when we approve funds in a bipartisan way, we expect that the money gets out. And I understand you've had delays and you want more staffing, but you've only spent about 10% of the additional money you got in the big, beautiful bill. We need to make sure that when Congress approves funds in a bipartisan way, it gets expended.

The Honorable Russell Vought:**01:46:37**

We agree with the need to get money out the door consistent with our review of whether it's being well spent and not taking any tools that we may use at the President's fiscal management tools off the table.

Chairman David Joyce (R-OH):**01:46:48**

Thank you. Thank you, Mr. Vought and we now recognize Mr. Bishop for his three minutes.

Rep. Sanford Bishop (D-GA):**01:46:53**

Thank you very much, Mr. Vought. It's apparent to the members of the committee, as well as to the general public, that you, as Budget Director, and President Trump feel that you have the authority to pause and sometimes outright disregard appropriations that are directed by Congress.

And, of course, as we all know, the Constitution explicitly states that Congress alone sets the terms for appropriating funds. But if, for example, we give you the benefit of the doubt that you're somehow under the impression that the OMB's actions over the last 18 months to withhold funds across a broad spectrum of programs is legal, can you let us know what kind of language we need to use in our appropriations bills that you and OMB would consider to be unambiguous enough in directing the executive branch to disburse appropriated funds without delay, without additional restrictions that undermine the intent of Congress, and without political considerations like retaliation? Or do you believe it's possible for us to put language in the appropriations bills that are direct enough that would prohibit you from impounding and impeding the intention of Congress in our appropriations?

The Honorable Russell Vought:**01:48:24**

I'm not going to engage in a hypothetical, but it's an interesting question, Congressman, in the sense that many of the things that you say are the questions that we get in terms of whether we're getting money out the door quickly is, in fact, us reviewing to see whether it's done efficiently or not and to ensure that agencies aren't doing deficiencies, that there's a spend plan in place, which was literally why we were set up in the first place.

And so I would just offer that as one of the reasons, as you're responding to what you think is data, that we're not spending fast enough, it's often because we're trying to spend well. But when you put.

Rep. Sanford Bishop (D-GA):**01:49:01**

A pause, when you put a pause and not spend it at all, when we clearly, and it's clearly intended by Congress for it to be spent, what kind of language do we need to put what would you respond to?

The Honorable Russell Vought:**01:49:20**

We would have a difference of opinion with regard to the President's ability to pursue executive tools to limit spending. I've been up here before to talk about it. We used many of those tools last year. I don't think this is about writing the bills differently, but I will say this, Congressman, we're working with the committee to pass these appropriations bills. I think we had one of the most successful appropriations bills in seasons and process in history last year, subject

CROSSTALK:**01:49:50**

To the two shutdowns that occurred. Do you believe that there are three equal

Rep. Sanford Bishop (D-GA):**01:49:52**

Branches of government?

The Honorable Russell Vought:**01:49:53**

Of course,

Rep. Sanford Bishop (D-GA):**01:49:54**

Absolutely but the unitary executive theory doesn't take precedence over the other two branches, I take it.

The Honorable Russell Vought:**01:50:05**

We believe there are three equal branches, and we are always looking back to how the founders intended our constitutional structure to operate and function.

Chairman David Joyce (R-OH):**01:50:13**

Thank you Mr. Bishop. The Chair now recognizes Mrs. Klusenkamp-Perez for three minutes.

Rep. Marie Perez (D-WA):**01:50:18**

Thank you, Mr. Chair, and thank you again. One of the concerns that I've heard specific about the changes to grant-making rules is the prohibition on funds for conferences.

There are excellent conferences in skilled trades competitions. That is inherently a conference. People still glow with pride that they were successful in winning their state's SkillsUSA champion in auto tech or roofing, whatever it is. And so, how do you view this proposed rule's impact on the ability to host and hold skills competitions and how to find the best balance and the brightest tradespeople and really bolster our skilled trades?

The Honorable Russell Vought:**01:50:56**

Well, I would just say with regard to some of the excess activities that numbers of individuals who are benefiting from grants, there's one thing that's not in this because you all barred us from doing it. There's nothing regarding indirect cost rates in this regulation. But indirect cost rates, indirect costs are the kind of things that we're trying to restrict as much as we possibly can.

I think it's analogous to your question. Bill Gates only pays 10% for indirect costs. We pay up to 50 to 60% for indirect costs for things like parking buildings and administrative costs. And while there may be examples where something might be useful or important, we think the trend in that direction is not something that we want the grant programs to be funding. We want them to be funding actual research.

Rep. Marie Perez (D-WA):

01:51:41

Investment and that is a durable investment, our investment in these kids who have pride in their skills and competition.

And so I just ask for consideration of this as you're moving through evaluating grants. Another concern I've heard from CTE teachers and students about the proposed elimination of fixed amount awards and subawards and the impact on increasing the administrative cost and burden. I know so many great programs who are we are not touching federal grants because we cannot handle the administrative burden. Meanwhile, the people who have grant writers and have slick handouts, they can do that. They can overcome that administrative burden. And so I'm asking you how you're thinking about balancing the scale of administrative burden on rural and smaller organizations and how to effectively tailor, rather than eliminate, but tailor their ability to participate in these federal tax programs because they really can provide as much or a greater dollar cost effectiveness.

The Honorable Russell Vought:

01:52:41

I would say that we don't want there to be a great administrative burden, and that's what the comment phase is for. And if comments come in that we can learn more about how this would be implemented, we're going to definitely take a look at those.

Rep. Marie Perez (D-WA):

01:52:53

It's just really hard for my smaller organizations to be oh, I'm going to go through this portal and make this comment in all this time. And so asking for you to consider how to bring in people who have been a part of this from a smaller organization, from rural communities,

The Honorable Russell Vought:

01:53:06

Well, I will make this offer if you want me to meet with someone from your district, that's a small organization I will happily

Rep. Marie Perez (D-WA):

01:53:12

To thank you very much. Appreciate that. I'll yield back.

Chairman David Joyce (R-OH):

01:53:15

Thank you very much. The Chair now recognizes Mr. Ivey for three minutes of questions.

Rep. Glenn Ivey (D-MD):

01:53:20

Thank you and congratulations, Mr. Chair. I wanted to follow up on the Doge comment that you made. I've got a report here from the Senate Permanent Subcommittee on Investigations that's entitled "The \$21.7 Billion Blunder," analyzing the waste generated by Doge. Are you familiar with this report?

The Honorable Russell Vought:**01:53:43**

No, I haven't.

Rep. Glenn Ivey (D-MD):**01:53:44**

Okay. It breaks it down by category, and it runs through the cost, for example. And I think there was a stretch where people got paid not to come to work. And I remember there was a scenario where probationary employees were laid off. I think that went to the courts. I think OMB made the decision to lay off the probationary employees. The court said you can't do that. It has to go through the departments, and then it went back to you. But in any event, the probationary piece, waste generated by involuntary administrative leave and severance pay programs, they calculated \$6.06 billion. Are you familiar with

The Honorable Russell Vought:**01:54:23**

Those? I haven't read the report. I'm happy to read the report. In general, many of the times that these kind of artificial moment in time cost estimates with regard to the federal workforce are not accounting for the long-term savings of what a lower footprint for those agencies would look like. For instance, RIFs. RIFs have upfront costs. This is widely known, but they lead to long-term savings and a smaller footprint. And so, my guess is what's going on in that report.

Rep. Glenn Ivey (D-MD):**01:54:56**

And you take a look and you can follow back up with us, but you'd also agree that there have been scenarios where departments have laid off 110,000 people and brought back 60,000 or, we've had other scenarios where departments laid off a certain number then quickly bring a number back. That would be part of the long-term calculation you're talking about as well.

The Honorable Russell Vought:**01:55:18**

Right i would describe it as a dynamic, fluid process. So you have agency heads that are trying to assess that they have what they need for the core functions that they do.

Rep. Glenn Ivey (D-MD):**01:55:28**

It's a dynamic waste of money though if you lay off people and then bring them back, especially in the short term. The Nuclear Regulatory Commission laid off the staff, I think, on a Friday, realized that you just can't grab somebody off the street to run that, and they brought them all back on Monday.

Those are not, that's not just dynamic, that's a mistake, and that's funding that the taxpayers wasted on an effort that was rushed through. I think part of the concern with respect to DOJ, and I think most of my colleagues would agree, cutting employees that aren't needed is fine, but it's clear that what DOJ did was they advocated cutting a lot of people, a lot of federal government employees who were doing great work. They didn't know what they were talking about when they advocated for those cuts. Then they quickly realized that they had to bring people back. And that really devastated the individuals' lives who were caught up in that scenario. My time has expired. I yield back.

Chairman David Joyce (R-OH):**01:56:27**

And like the wedding feast at Canaan, we'll now save the best for last and recognize the ranking member of the full committee, Mr. Lawler, to wrap this up.

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:56:36**

Thank you very much, Mr. Chairman. I think you've made clear, Director, that you are not going to really carry out the spending laws as Congress intended. And that really is very, very troubling. Look, we've already seen OMB implementing political review of grants. It's led to massive delays at NSF, the NIH. NIH has had about a 34% decrease in new awards in 2026 compared to what they've done in the past. And we understand that the decrease is due to new layers of political review at the NIH, at HHS, OMB, as well as the Office of Extramural Research.

Directives limiting the number of funding opportunities that are allowed. There have been cases where people are still awaiting approval and political appointees have really denied the award going forward. The same problem is occurring across the government. Interior, homeland, what is a government-wide problem? What can you do to address it? Where is the holdup? And quite frankly, how would requiring a political appointee to approve every single grant improve government efficiency?

The Honorable Russell Vought:**01:57:55**

Congressman, one of the things I heard constantly when we were considering the rescissions package last year, of which you all opposed, but one of the things I heard was, "Why wouldn't you just eliminate just the small things that you have concerns with and not actually take the number down lower?"

And the way that we do that, the way that we provide good oversight of federal dollars is to be able to assess and review how the agencies intend to spend the money. And that takes time. You don't do that in the middle of a 30-day period after you pass the appropriations.

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:58:30**

With all due respect, Mr. Director, my heavens, we haven't seen spend plans. That has been one of the big problems.

This committee hasn't even seen spend plans that we're supposed to, get. And so, there's a point, and this rule that is really in the process of comment, which you won't extend the timing on, is really specific about who is going to review the grants, not on merit, but they're going to go through a political lens. And there's all kinds of restrictions on these grant awards. That is reverting a process, as I said earlier, that has been established after the Second World War.

The Honorable Russell Vought:**01:59:19**

I give you an analogy? An analogy is that when I do the budget for the President, do you think I don't rely on the career staff? Do you think

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:59:28**

I'm well,

CROSSTALK:**01:59:29**

Look,

The Honorable Russell Vought:**01:59:30**

It has with all due respect, I got five seconds left.

Full Committee Ranking Member Rosa DeLauro (D-CT):**01:59:34**

Five seconds left. It is about political appointees making the decision, not people based on the evidence and not based on, particularly in health and science, not based on the science of the award that's happened everywhere.

I can quote you, I can talk to you and you can talk offline about what's been denied at Yale University that has to do with HIV suppression, Tourette's, et cetera. Don't tell me that these are, they do not meet the government's priorities or the president's priorities. To deal with Tourette's syndrome, to deal with OCD is not about somebody wasting money. This is science. It's reviewed as it has been over 75 years when these awards have been made, and you are all in the business of reversing that and putting all of these grants through a political lens and someone's political ideology.

It's wrong, and we're not going to let it happen. I yield back.

Chairman David Joyce (R-OH):**02:00:38**

Would you care to answer?

The Honorable Russell Vought:**02:00:40**

I would just say that there was an election. The president was put in charge of the executive branch. The Constitution says that the appropriations process.

Full Committee Ranking Member Rosa DeLauro (D-CT):**02:00:51**

Is the power of the purse. You are ignoring that. You flout the Constitution every single day, and you have been doing it for the last year and a half, and we, again, are not going to continue to allow that to happen. No president has the right to just violate the United States Constitution. And no member of this committee does that, but the administration is doing it regularly.

Chairman David Joyce (R-OH):**02:01:16**

With that, our time has concluded. I'd like to thank Director Vought for being here today. There may be some members who'd like to submit more questions for the record. Please submit any questions for the record to the subcommittee staff within seven days. This subcommittee stands adjourned.