

OPENING STATEMENT
Ranking Member Ami Bera (D-CA)
of the Subcommittee on Space

Committee on Science, Space, and Technology
Subcommittee on Space
*“NASA’s Cost and Schedule Overruns:
Acquisitions and Program Management Challenges”*
June 14, 2018

Good morning, and thank you, Mr. Chairman, for holding this hearing on *“NASA’s Cost and Schedule Overruns: Acquisitions and Program Management Challenges”*. Welcome to our witnesses, and I look forward to your testimony.

One of the most important responsibilities Congress has is to ensure that agencies, such as NASA, have the resources and tools necessary to carry out their mission. However, we have the added responsibility for making sure that agencies are being good stewards of taxpayer dollars. As we will hear today, NASA is encountering schedule delays, and in some cases, cost increases in a number of projects and programs. I appreciate the good work by the Government Accountability Office and NASA’s Inspector General in bringing these cases to our attention as we can learn from those cases in order to minimize issues in the future.

Resolving cost and schedule issues is *hard*, and there’s no simple fix or the situation would have been resolved long ago. But I have no doubt that NASA’s talented workforce can find improvements in how it conducts program management; oversees its contractors; collaborates with its international partners; provides greater funding certainty; and applies cost estimation tools and techniques. However, today’s discussion of schedule delays and cost increases, and the search for corrective actions, cannot take away from the accomplishments and discoveries made possible by programs and projects such as Hubble, the International Space Station, and Mars Curiosity. These accomplishments and discoveries would not have happened had the Nation not made the hard decisions that enabled these projects to carry through, in spite of schedule delays and cost growth. And we have been well rewarded with countless innovations, thanks to the dedicated and inspired work by NASA, its supporting contractors, and the Nation’s colleges and universities.

One area for improvement is a better agreement on the baseline from which cost growth and schedule delay are determined. The inconsistent measurement of cost growth across programs was noted in a National Academies review of NASA Earth Science and Space Science Missions in 2010. For example, some people characterize the cost growth of the James Webb Space Telescope using an initial baseline project costs of \$1 billion to \$3.5 billion. While this was the initial range of cost estimated in 1996, that estimate was not based on a detailed analysis. A detailed analysis is needed to establish a baseline from which NASA makes a commitment to Congress that it can design, develop, and build the project at the cost and schedule specified. That initial baseline was established in Fiscal Year 2009. According to that baseline, JWST was estimated to have a life cycle cost of about \$5 billion. That is a far cry from \$1 billion.

In closing, Mr. Chairman, this topic is timely. NASA's need to effectively manage its programs will gain even more importance as the agency seeks to manage its wide-ranging portfolio in an increasingly constrained fiscal environment while pursuing ambitious goals, such as exploring Europa and sending humans far away from Earth.

I look forward to a robust discussion at today's hearing. With that, I yield back.