

Chairman Towns Speech on Oversight Priorities

The Willard Hotel, Washington, D.C.

January 14, 2009

I am pleased to be here this morning to discuss the role of the Committee on Oversight and Government Reform in the 111th Congress.

We are at a critical juncture in our nation's history. Last November, the American people did some soul searching and for the second election in a row voted for change—demanding that those unique American ideals we all believe in—freedom, liberty and justice for all—be used to restore our faith in government and our standing to the international community.

I say all this because I am very excited about the role that the Committee on Oversight and Government Reform will play in the new Congress working with the incoming administration. I have been a member of this Committee for 26 years – in the majority and the minority, through six chairmen and a few name changes along the way. I have been preparing for this opportunity throughout my entire tenure in Congress and I am ready.

I wanted to take our time here today to share what is going to be a robust agenda for the Committee this year and for this Congress.

Allow me to begin with the word on everyone's mind—OVERSIGHT.

Let me be clear to everyone—our committee will provide vigorous oversight of the new administration, corporate wrongdoing and other timely issues.

I feel strongly—as does the new President Elect—that Congressional oversight should not go away just because the Administration and Congress are run by the same party. Constructive oversight can expose and solve small challenges before they become national catastrophes. Congress has a responsibility to the citizens of this nation—to be a check on the executive branch.

Looking back, the Republican Congress did the Bush Administration a disservice by turning a blind eye to problems created in the executive branch. At this point, many Republicans would admit and agree on this.

Over the past few years we've been bombarded with headlines containing subjects such as: "Katrina",

“Iraq War Cost Overruns”, “Wall Street Corruption,” and “Economic Collapse.” That is why many Americans doubt whether the government can deliver effective solutions to better their lives and our society.

President Elect Obama tapped into those feelings in last year’s campaign and Americans are, in my opinion, if not ready to believe again, they certainly are ready for leadership that will appeal to their best hopes and not their worst fears.

Everyone in Washington agrees on the need for government to run more efficiently and restore that trust to our constituents. There certainly is no quick fix or silver bullet but the first step on this journey is to bring more transparency to federal programs, and stop sweeping our problems under the rug—I believe that Americans can in fact handle the truth! AND we need to tell them the truth!

It’s not really that complicated—especially when you follow what I like to call the “Sunday Morning Test.”

The Sunday Morning Test is not whether the pundits on Meet the Press or Face the Nation understand and agree with what the government is doing. My Sunday morning test involves my constituents who

talk to me after church on Sunday morning or at breakfast at Junior's on Flatbush Avenue understanding what their government is doing—
***And let me state for the record—if you have EVER been to Brooklyn, you know that people are not shy about telling you what is on their minds!!!

But THAT is why I go back home every weekend. I listen to the stories of working people as they share their experiences and concerns about the future of their families, their communities and their country.

One can see pretty quickly how the Sunday Morning Test can help guide our work, making government more understandable and more approachable, which hopefully will encourage more participation in our democracy!

Constructive congressional oversight should be a dialogue between the people's representatives and their government. That is why I am heartened to have developed a friendship with my ranking member, Congressman Darrell Issa, who is equally committed to working in a bi-partisan fashion for the continued success of the Committee and for the benefit of the American people.

We need to quickly end this era of secrecy. This secret approach to government has failed the majority of American people and has led to decisions that benefited small and elite sectors of our society, with the hope that these benefits would trickle down to the majority of the American people.

We have already made strides in this regard; in our first week, we passed three bills, issued an oversight report, and launched an investigation—AND this is only the beginning.

The very first bills to pass the House were H.R. 35, the Presidential Records Amendments Act, and H.R. 36, the Presidential Library Donation Reform Act. These bills will ensure that records from this and future administrations will be made available to the public in a timely fashion. Presidents must understand that their records, library donors and visitor logs belong to the nation, not simply to the safety deposit box of their choosing.

These two pieces of legislation are a down payment on the types of open government initiatives supported by the public, who in addition to expecting the truth from their government; want a smart, effective government. And while transparency will always be the foundation to success in that regard, I want to

take a few moments to discuss some of the policy and government organization issues on which the Committee will play a distinct role:

Procurement and Contracting Reform will be on the front burner this year. I plan to move a bill written last Congress in cooperation with then-Senator Obama that would prevent tax delinquent contracting firms from getting new federal contracts.

The practice of poor performers and tax deadbeats continuing to receive new federal contracts needs to stop immediately! We are planning to discuss the suspension and debarment system to understand how these bad actors continue to utilize loopholes and other methods in order to game the system which wastes taxpayer money.

I'd like to expand the Obama-Coburn federal spending database which puts information about federal contracts and grants online for everyone to review. And we are working closely with the incoming administration to make sure that true oversight is called for in conjunction with any economic stimulus package.

In 2010, the U.S. Census Bureau will be tasked with ensuring that an accurate account of all Americans

takes place. As many of you may know, minorities and urban dwellers have traditionally been UNDER-reported in census counts. THIS TIME it will be one of my goals to ensure that all Americans are counted!

The connection between oversight and government operations meets when we discuss our Inspector General system. These Inspectors General are so important to executive branch accountability that they were the topic of a major report that I released last week.

The report listed more than 13,000 IG recommendations that had not been implemented over the past eight years, with a potential savings to the taxpayers of 25 billion dollars.

Literally thousands of common-sense recommendations are being ignored. One simple recommendation of properly auditing Defense communications contracts would save over 800 million dollars alone.

That work has long been the low key—but equally important role for the Committee on behalf of the American people and will continue under my leadership.

But let's be honest—I couldn't ask all of you to sit through this speech this morning and not discuss what WILL be making headlines—My advice to you: **READ THE PAPERS!**

Yes, a healthy portion of our agenda will be dictated by current events. My goal for the committee is to move quickly and responsibly when events take place—especially when it could affect the safety of our citizens.

Last week I requested that GAO investigate the recent environmental disaster in Tennessee involving the release of highly toxic coal ash—through this investigation, we're going to get to the bottom of why there are no safe storage regulations of toxic coal ash.

I was particularly concerned by reports that the TVA and EPA were giving residents conflicting information on the health risks of the coal ash release into their soil, air and water supplies.

These inconsistencies reminded me of assurances given to New Yorkers after 9/11 that the air around Ground Zero was safe to breathe. We now know that was not true, and in the subcommittee I held several hearings on the health problems that my constituents

in Brooklyn and first responders are now experiencing. It is a national disgrace that these heroes do not have access to the health care that they earned, and I will continue to pursue an aggressive health care agenda on the full committee in the coming Congress.

The Committee is also continuing several high-profile matters from the last Congress and while I cannot comment on all of them, I would like to highlight a few in our short time left this morning.

As I mentioned at the beginning of my speech, we are at a critical juncture in our history and no issue speaks to this like the state of our economy. We will continue our oversight of the Troubled Asset Relief Program and also continue to investigate and report back to the American people why the TARP was necessary in the first place. My first goal is to find out a detailed answer to this question:

**“What did the American people get for
\$350 Billion?”**

I must admit, I don't see the value at this point. All I see are institutions sitting on this “free” capital, not lending and not putting those resources in play to help fix our economy. This is unacceptable. If banks

are unwilling to lend the money to small business owners trying to make payroll, that young person dreaming of going to college or that couple trying stay in their home—we shouldn't give them another dime!

You know—I used to think that being a weather man was the only job in America where you can get it wrong 80% of the time and still have a job—Heck, you might even get promoted! But the financial company executives have quickly joined those ranks!

The Committee will continue to investigate executive pay and bonuses at companies that received TARP funding. It is an embarrassment that so many firms who are receiving government funds continue to so richly reward poor performance.

Many of these companies have not yet accounted for how they are spending their government assistance. The committee has requested answers to these questions and is currently reviewing their responses. After our internal review we plan to have a hearing or report on this topic.

This entire meltdown proves that capitalism can only be successful when consumers have the confidence to invest and the ability to know what they are investing

in! I don't think there are many CEOs that could pass the Sunday Morning Test operating in this current shroud of secrecy which passed for a regulatory framework.

This secret approach to governing also led to a philosophy that felt government oversight and regulation was bad for our economy. Time and again we heard that the private sector could regulate itself and that any regulation on anybody anywhere would bankrupt businesses.

Now I'm not sure how that's treating any of those individuals right now but let me say this—my constituents are not only struggling—THEY ARE ANGRY. And they have a right to be. I imagine there are a few in the audience who are upset too.

There have been many who have offered opinions on how government should better regulate the financial industry and I plan to hold hearings discussing the possible re-organization of government regulators so that we are not choosing winners and losers in the marketplace—but providing a framework that clearly defines the rules of the game for all participants.

I have always prided myself in understanding that it takes employ-ERS to have employ-EES. Regulation

simply for the sake of regulating makes no sense and would put our nation at a competitive disadvantage but Americans want—and I would submit the system needs—some common sense reforms which can guide our economic infrastructure back to good standing.

There is no doubt that America needs to become energy independent while preserving our natural resources. I want to ensure that the government is not only procuring green energy but doing so in the most cost effective manner possible. If we can bring green building standards and efficient power procurement measures into practice—we'll not only be saving money but also helping to keep our country strong and secure.

I plan to continue to be heavily involved in technology issues and host the Chief Technology Officer in hopes that a national broadband and technology deployment strategy can be developed so that our citizens are not left further behind in the global marketplace. I also hope that we can have a discussion about the serious issue of cyber security to ensure that our technological infrastructure can remain safe from outside and foreign threats.

I also intend to stay active in conversations about healthcare reform and issues surrounding food safety, FDA reform and ensuring that the United States continues to be a leader in the biomedical research field.

We must ensure that all Americans have access to affordable health insurance. While our nation enjoys an abundant food supply that is safe, the patch work nature of the federal inspection system places significant risks for the contamination of food production, importation and distribution. I also want to ensure that our country keeps producing life saving therapies, cutting edge medical devices and that our citizens have access to them.

All of these pressing matters I've shared with you show why leading the Oversight Committee at this critical juncture in history means so much. We have the opportunity to go right to the core of the problems facing our country—Americans are eager to believe again and I for one feel that there is room for all of us to work together to make that a reality.

Thank you for your time this morning.