

STATEMENT OF JACOB J. LEW

**Nominee to Serve As
Director of the Office of Management and Budget**

**UNITED STATES SENATE COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
September 16, 2010**

Thank you, Mr. Chairman, Ranking Member Collins, and Members of the Committee for welcoming me today.

I take great pride in my current and prior government service, and it is an honor to be considered today as the nominee to be Director of the Office of Management and Budget.

I am delighted that joining me today are my wife, Ruth, and my daughter, Shoshi. Together with my son, Danny, and daughter-in-law, Zahava, who could not be here today, my family has supported me unfailingly and unconditionally during my career in public service – often through long hours, late nights, and missed family events. Their daily sacrifices make possible my public service, and for that, I am very grateful.

I am also blessed to have had role models who, now, are only with me in spirit. My parents – Ruth and Irving Lew – taught me the importance of being involved in the community and world around us. And the late Speaker Thomas P. O’Neill, Jr. was not just my boss for eight years early in my career, but also a mentor who imparted to me wisdom about the legislative and policymaking process, and more generally about how to forge consensus.

It has been my honor and privilege to serve under President Clinton and, most recently, as a deputy to Secretary of State Clinton – and I am deeply grateful to both of them for the opportunity to serve and for their continuing friendship.

Finally, I am grateful to President Obama for nominating me to serve as the next Director of the Office of Management and Budget. I am humbled by the confidence he has shown in me as we face the enormous challenges that lie ahead.

This is neither my first time testifying before this Committee nor my first time testifying before this Committee as the nominee for the Director of Office of Management and Budget.

My familiarity with OMB gives me a knowledge of the institution’s workings and respect for it that is deep and heartfelt. I appreciate the centrality of OMB to the efficient and effective operation of the federal government – and have the greatest respect and admiration for the women and men who work there in fulfilling this critical mission.

OMB is about helping to make policy and to ensure that it can be – and is – implemented effectively.

The American people – rightfully – expect their government to spend their tax dollars wisely and to avoid waste. They also have a right to expect their government to deliver services with the ease and convenience found in virtually every other part of daily life.

If confirmed as OMB Director, making government more efficient and more effective, more open and responsive to the American people will be a key priority of mine as it is of the President.

Since my previous service at OMB, I have worked in similar management and budget roles in large non-profit and private sector organizations – and have experienced firsthand that all large organizations wrestle with the same challenge of how to fulfill strategic core missions with scarce resources and competing demands.

Indeed, the process of forging consensus behind priorities, directing new resources where they are most critical, and finding internal savings to support new initiatives, is an universal issue.

In addition, in my current role at the State department, I now have been on the frontlines – not just setting policy, but working to implement it – often to the very finest details and with the greatest of stakes: the safety of our brave women and men who volunteer to serve in dangerous assignments. And I have gained a visibility into the array of homeland security issues that this Committee handles.

Together, these experiences from the past decade have broadened the perspective I would bring to this position for which you are again considering me.

As we all know too well, President Obama has asked me to serve in this position at a time very different from when I last sat in the Director's office.

In the late 1990's, our challenge was how to maintain a prudent fiscal policy while transitioning into a world of budget surpluses and robust economic growth.

Today, a series of policy choices and the worst economic downturn since the Great Depression present us with a very different set of challenges, specifically, how to sustain and deepen the economic recovery and spur new job creation in the face of unsustainable budget deficits.

Indeed, the coming months may be the most critical time in fiscal policy in recent memory.

As the President has said, it will take tough choices – and putting partisan differences aside -- in order to do what is right for our country today and for our children and grandchildren in the years ahead.

Throughout my career, I have worked collaboratively across partisan and ideological divides to cut through gridlock and help solve seemingly intractable problems. If confirmed as OMB Director, I will work in that bipartisan fashion again – with the members of this Committee, the leadership of both chambers, and with all those committed to taking constructive steps to rejuvenating our nation's economy and its fiscal standing.

And while we should aspire to never waste taxpayer dollars, regardless whether the budget is in surplus or deficit, the management of the federal government is particularly important during lean times. If confirmed, I look forward to working with this Committee to make sure every dollar we spend, has the desired impact and makes a difference.

Getting our economy back on track and our fiscal house in order will take hard work. I am honored that the President has asked me to join him in this endeavor, and I am grateful to this Committee for its consideration of my nomination.

Thank you, and I'd be happy to answer any questions you may have.