Senator Tom Carper, Chairman

FOR RELEASE: April 9, 2013

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Chairman Carper's Statement at the Nomination of Sylvia Burwell to be the Director of the Office of Management and Budget

WASHINGTON – Today, Senate Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) convened the hearing on the Nomination of Sylvia Burwell to be the Director of the Office of Management and Budget. For more information on the hearing or to watch a webcast of the hearing, please click here. Chairman Carper's opening statement, as prepared for delivery, follows:

"Today we meet to consider the nomination of Sylvia Mathews Burwell, President Obama's choice to serve as Director of the Office of Management and Budget. This is a critical nomination that comes at a critical time, as OMB has lacked a Senate-confirmed leader since January of last year, when then-Director Jack Lew left to become Chief of Staff at the White House.

"Folks who know me know that I'm a big believer in the power of leadership. Throughout my life and career, I've seen the impact of dedicated and talented leaders first hand, and learned how good leaders can be critical in turning around struggling organizations and providing essential guidance during challenging times. Leadership is an important, and often undervalued, asset that can determine whether or not an organization of any size or scale can effectively accomplish its mission.

"That's why I have long been concerned about a problem that has plagued the Executive Branch through both Democratic and Republican Administrations – numerous and longstanding vacancies in senior positions throughout the Federal government. This problem has become so prevalent that I've started referring to it as Executive Branch 'Swiss cheese.' At any given moment we are lacking critical leadership in numerous positions in just about every agency, undermining the effectiveness of our government. While Congress and the Administration have taken steps to address this problem, the fact remains that we still have more work to do to ensure that we have talented people in place to make critical decisions. That's one of the reasons why today's confirmation hearing is so important, and why I'm pleased that President Obama has put forward a nominee who I believe has the skills necessary to step in and be effective from day one.

"Ms. Burwell's prior experience in government has prepared her well to lead during this challenging period for our nation, a time when we can no longer afford to avoid making the "tough choices necessary to put our nation on a responsible and sustainable long-term fiscal path.

She served as Deputy Director of the Office of Management and Budget and Deputy Chief of Staff during the Clinton Administration – a time when our government got its deficit under control and achieved four balanced budgets in a row. She is someone who knows firsthand how challenging budget negotiations can be. But she is also someone who knows that it is possible for the President and Congress to reach a bipartisan agreement on a comprehensive, long-term budget plan.

"Ms. Burwell also brings valuable leadership skills from the private sector, where she has run two of our nation's largest philanthropic foundations, the Bill and Melinda Gates Foundation and the Walmart Foundation. In all of the jobs she has held over the years, Ms. Burwell has shown a great work ethic and intellect, and a strong business perspective. She also is a warm and gracious person, and someone who can build consensus across party lines at a time when members of both political parties need to set partisan considerations aside for the sake of our nation. These qualities, in my opinion, can be attributed in large part to the fact that she hails from Hinton, West Virginia – a wonderful town of wonderful people, where I once lived as a young boy.

"And these qualities have made Ms. Burwell an effective leader since the day she arrived in Washington as a young member of President Clinton's economic team. Her wisdom from both the public and private sectors will now be put to use in addressing fiscal challenges that are much more severe than the daunting challenges she helped address in the 1990's. For some perspective on the serious nature of our nation's debt and deficit crisis, I'll note that, in Fiscal Year 1993, the deficit was \$255 billion. The Congressional Budget Office now projects the deficit for this fiscal year to be \$845 billion – and that will be the first time in five years that the deficit has dipped below \$1 trillion. In 1993, debt as a percentage of Gross Domestic Product was 49 percent. Today, it is approaching 76 percent.

"The grand budget compromise that we need to address this fiscal crisis must have three essential elements. It must address both spending and revenues in a balanced approach. It must rein in the costs of our entitlement programs in a way that doesn't savage the poor or the elderly. And it must demand that through better management of government programs, we deliver better services to the American people at a lower cost.

"This Committee is an important partner with the Office of Management and Budget in all of these areas, but especially in ensuring that our government achieves better results for less taxpayer money. Both Congress and the Executive branch bear equal responsibility in rooting out waste, fraud and abuse in government programs. Both bear responsibility in ensuring that we measure the performance of programs and alter or end those programs that do not work, or have outlives their usefulness. Both bear responsibility for providing transparency to the public transparency on how our tax dollars are spent.

"Senator Coburn and I have worked closely together over the years to identify sensible, achievable savings that could be accomplished simply by better management. For example:

• We know we can save billions of dollars by shedding federal property that is no longer used.

- We know we can save billions of dollars every year by reducing the amount of improper payments that the government makes.
- We know we can save billions in federal contracting every year through efforts such as the so-called strategic sourcing initiative, which involves buying more in bulk.
- We can save billions of dollars through better management of the government's information technology infrastructure including, for example, by continuing the effort to consolidate federal data centers.
- We can bring in billions of dollars in revenues by doing a better job of collecting taxes that are owed but not paid. And here I am not talking about new taxes I'm talking about doing a better job of collecting the taxes that are already owed.

"And I know from my conversations with Ms. Burwell that she is fully committed to all of these efforts. She is also committed to helping improve ways to measure the performance of government programs, and to ensure that we have sound financial management practices across the government – including at the Department of Defense, which in its whole history has never been able to conduct a full audit of its finances, much less achieve a clean audit.

"Ms. Burwell, as you sit here twenty years after you first came to Washington, I do think it is instructive to look back and reflect on the budget debate of those days when, like now, we faced deficit and long-term debt problems that on many days seemed insurmountable.

"Just over twenty years ago, in January of 1993, President Clinton's nominee to be Director of the Office of Management and Budget, then-Congressman Leon Panetta, appeared before this Committee. He talked about how the American people didn't trust the government anymore. He talked about the importance of making the budget process work so that the government could start to restore that credibility. He told this Committee: "We need to make government more efficient, more creative, make it an instrument of long-term economic growth, not an impediment, and make it a source of investment in our future, not a robber of our children's birthright."

"All of these words ring even more true today. The American people will not – and should not – tolerate Congress and the White House kicking the can down the road any longer on tough budget decisions. Nor will they tolerate our failure to make significant progress in addressing some of the tough management challenges faced by agencies across government. "So my recommendation to my colleagues is that we confirm and get Ms. Burwell in place as fast as we can, and get going on the work that the American people sent us here to do."

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