



United States Senate
Committee on Homeland Security and Governmental Affairs
Chairman Joseph I. Lieberman, ID-Conn.

Opening Statement for Chairman Joseph Lieberman
“Markup on Nomination of Jacob Lew, Director of Office of Management and Budget”
Homeland Security and Governmental Affairs Committee
Sept. 21, 2010
As Prepared for Delivery

This morning we have a one-item mark-up agenda and that is to vote on the nomination of Jacob Lew to be the next director of the Office of Management and Budget.

Mr. Lew’s previous service as President Clinton’s budget director more than qualifies him for the job. When he left that post, he also left a \$237 billion federal budget surplus – an accomplishment that may be hard to accomplish but which we would all love to see repeated. On top of already serving in this post, Mr. Lew has also had a long career managing budgets, finances, technology, and operations in the public, private, and academic sectors.

Of course, times have changed since Mr. Lew’s previous tenure in the job for which he is nominated again. Our present economic challenges are different and more difficult than they were in the 1990s. The recovery is weak, and the federal government must act to promote economic activity, which will increase the deficit in the short term. Yet, if we don’t bring spending and deficits under control, we will face an unpleasant and undesirable financial reckoning. So, we recognize that the job this time around will be trickier.

Besides the economy, there are two other items under OMB’s purview that concern me: federal purchases and information technology management. Across the government, a number of trends over the last decade have resulted in wasteful spending, including an over-reliance on noncompetitive contracts, inappropriate use of “cost-plus” contracts, poor contract planning, and insufficient oversight of contracts. Too often, agencies have turned to contractors to perform work that is inherently governmental.

To its credit, the Obama Administration has made improvements to the contract process, and former Director Orszag began a number of initiatives to address these problems. I am confident Mr. Lew will keep the momentum going.

Finally, OMB also has key responsibilities for information technology – an area of growing importance and concern to this Committee. Federal Chief Information Officer Vivek Kundra is conducting in-depth reviews of more than \$30 billion of troubled information technology projects, as well as financial management systems across the government, and I am certain Mr. Lew will support those efforts.

I think the nomination of Jacob Lew to be OMB Director is an inspired choice. He is fully qualified for the position, and I intend to vote the nomination out of Committee favorably.

Sen. Collins.