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Wyden Statement at Finance Committee Hearing to Consider Social Security Administration and Pension Benefit Guaranty Corporation Nominations

As Prepared for Delivery

The Finance Committee meets this morning to consider two nominations: Gail Ennis to serve as Inspector General of the Social Security Administration, and Gordon Hartogensis to serve as the Director of the Pension Benefit Guaranty Corporation.

Let me start my remarks with Ms. Ennis' nomination. Here's the bottom line on why Social Security's Inspector General is such an important role: it is absolutely essential that the federal government wring value out of every last dollar that goes into Social Security. The Social Security Inspector General plays a major part in identifying ways that the program can be improved, where it has misstepped, and how the Congress can strengthen it with legislative changes. That, in my view, ought to be a bipartisan cause.

It has been over two years since Social Security has had a confirmed IG -- which is too long, in my book. So we're fortunate to have a nominee before the committee today.

Ms. Ennis comes from outside the world of social insurance, but she has a significant background in auditing financial institutions and working with government agencies. In my view, sometimes it's a good idea to bring in somebody with a fresh eye to administration jobs like this one.

If confirmed, Ms. Ennis will face a lot of challenging issues, from the deterioration of service at SSA, to the disability backlog, to IT upgrades. This committee will count on her to work with us as we continue to make improvements to the program, and she and her team will need to listen closely to whistleblowers who come forward with information about where problems have come up.

But setting aside the specifics of this nomination for a moment, there's also going to be a challenge for the Congress in the months and years ahead. The IG's office recently put out an eye-opening report about the huge increase in work waiting to be done at SSA's Program Service Centers. Those centers perform some of the most basic functions at SSA that are essential to maintaining beneficiary records. Notably, the IG's report cited budget constraints as part of the problem. For several years in our annual Views and Estimates letter, the Chairman and I have advocated that SSA receive the budget it needs to get the job done. We can't expect world class service when the Congress provides a third class budget.

Next, Mr. Hartogensis' nomination to lead the PBGC. In short, the PBGC is facing serious challenges. This is an issue that Chairman Hatch and Senator Brown know very well, and they're hard at work on solutions on a bipartisan basis.

As many as 1.5 million Americans are enrolled in multiemployer pension plans that could become insolvent in the next few decades. If that happens, it'll bankrupt the PBGC's insurance program for ALL multiemployer pensions, affecting all who are enrolled. So this crisis is not some academic matter -- it's a question of whether millions of Americans will be able to get by in old age.

Mr. Hartogensis has had a successful career in the private sector, but he doesn't have experience in policy dealing with pensions or retirement security. He's got the right political connections to be a nominee in this particular Senate, but he has no record from which this committee can draw conclusions about what he'd do as the head of PBGC.

Again, I don't necessarily believe nominees ought to be disqualified just because they come to administration positions from the outside. However, Mr. Hartogensis will need to provide answers today with actual substance about how he wants to tackle the challenges PBGC is facing.

Let me thank Ms. Ennis and Mr. Hartogensis for joining the committee today. I'll have questions for both on a variety of issues, and I look forward to hearing their answers.

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