

**NOMINATIONS OF ALLEN FREDERICK JOHNSON,  
WILLIAM HENRY LASH, III, BRIAN CARLTON  
ROSEBORO, KEVIN KEANE, AND WADE HORN**

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**HEARING**

BEFORE THE

**COMMITTEE ON FINANCE  
UNITED STATES SENATE**

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF

ALLEN FREDERICK JOHNSON, TO BE CHIEF AGRICULTURAL NEGOTIATOR, OFFICE OF THE U.S. TRADE REPRESENTATIVE; WILLIAM HENRY LASH, III, TO BE ASSISTANT SECRETARY OF MARKET ACCESS AND COMPLIANCE, DEPARTMENT OF COMMERCE; BRIAN CARLTON ROSEBORO, TO BE ASSISTANT SECRETARY OF FINANCIAL MARKETS, DEPARTMENT OF THE TREASURY; KEVIN KEANE, TO BE ASSISTANT SECRETARY OF PUBLIC AFFAIRS, DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND WADE HORN, TO BE ASSISTANT SECRETARY OF FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES

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JUNE 21, 2001  
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**NOMINATIONS OF ALLEN FREDERICK JOHNSON, TO BE CHIEF AGRICULTURAL NEGOTIATOR, U.S. TRADE REPRESENTATIVE; WILLIAM HENRY LASH, III, TO BE ASSISTANT SECRETARY OF MARKET ACCESS AND COMPLIANCE, DEPARTMENT OF COMMERCE; BRIAN CARLTON ROSEBORO, TO BE ASSISTANT SECRETARY OF FINANCIAL MARKETS, DEPARTMENT OF THE TREASURY; KEVIN KEANE, TO BE ASSISTANT SECRETARY OF PUBLIC AFFAIRS, DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND WADE HORN, TO BE ASSISTANT SECRETARY OF FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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**THURSDAY, JUNE 21, 2001**

U.S. SENATE,  
COMMITTEE ON FINANCE,  
*Washington, DC.*

The hearing was convened, pursuant to notice, at 12:13 p.m., in room 215, Dirksen Senate Office Building, Hon. Max Baucus (chairman of the committee) presiding.

Present: Senators Rockefeller, Torricelli, and Grassley.

**OPENING STATEMENT OF HON. MAX BAUCUS, A U.S. SENATOR FROM MONTANA, CHAIRMAN, COMMITTEE ON FINANCE**

The CHAIRMAN. The hearing will come to order.

The committee will now turn to consider five more of the President's nominees to crucial positions at the Departments of Treasury, Commerce, and Health and Human Services.

The President has nominated Mr. Allen Frederick Johnson to be Chief Agricultural Negotiator; Mr. William Henry Lash, III, to be Assistant Secretary of Commerce for Market Access and Compliance; Mr. Brian Carlton Roseboro, to be Assistant Secretary of the Treasury for Financial Markets; Mr. Kevin Keane, Assistant Secretary of Health and Human Services for Public Affairs; and Dr. Wade Horn, Assistant Secretary of Health and Human Services for Family Support.

I want to congratulate each of you for enjoying the confidence of the President, and also congratulate you on entering public service. I think it is the most noble human endeavor and cannot thank you enough for what you are about to do.

Since January, Senator Grassley and I have worked together to continue this committee's tradition of promptly moving Presidential nominees. We have, to date, received 27 nominations from the White House, held 6 different hearings, and voted favorably on 19 of the candidates. This will be our seventh hearing, where we will consider five more candidates, leaving just three to be considered by the committee at a later date.

As I have said, it is particularly important for the new administration to have senior officers in place because crucial decisions are being made and it is very important to get them confirmed quickly.

I might say, I have one brief statement with respect to one nominee, Mr. Lash. When I finish, Senator Grassley and Senator Rockefeller have short statements. Then Senator Bob Torricelli has kindly agreed to chair the rest of the hearing, as each of us has commitments that we have to attend to.

Mr. Lash's credentials are very impressive, having received a bachelor's degree from Yale and a law degree from Harvard. Mr. Lash has pursued a very distinguished career as a lawyer and a businessman. He is currently a professor of law at George Mason University.

Recognizing Mr. Lash's many accomplishments, I want to make clear that I have some serious concerns about his nomination to head Market Access and Compliance at the Department of Commerce.

MAC, as it is known, is the first U.S. Government office to which businesses turn when they are having difficulties getting access to foreign markets.

According to its mission statement, MAC's "overriding objectives" are "to obtain market access for American firms and workers and to achieve full compliance by foreign nations with trade agreements that they sign with our country." In appropriate cases, MAC must be able to pave the way for investigation by the USTR under Section 301 of the Trade Act.

My concerns stem from your writings, Mr. Lash, in which you openly criticized Section 301, and other U.S. trade laws. You have called Section 301 and Super 301 protectionist, and have called for their abolition.

You have also opposed invoking U.S. antitrust law to challenge blatantly anti-competitive conduct in foreign markets such as Japan's keiretsu.

You have criticized U.S. antidumping laws and expressed hostility toward U.S. efforts to have trade laws meaningfully reflect the link between labor standards and environmental standards on the one hand, and trade on the other.

These views strike me as out of step, out of step with the direction in which U.S. trade policy is headed. It seems particularly incongruous for an agency whose mission is to help open foreign markets to be headed by someone who advocates eliminating the principal tools designed to do just that.

A few examples. In one article, Mr. Lash decries “Congressional fascination with tough trade talk to try and open markets with crowbars,” asserting that this “ignores U.S. culpability for the trade deficit.”

When members of Congress, including myself, sought to revive Super 301 following its expiration in 1990, Mr. Lash wrote that these efforts “demonstrated a recklessness that undermines the multilateral trading scheme to which the United States claims to be committed.”

Concerning the keiretsu system that has kept Japan’s markets closed to U.S. goods and services, Mr. Lash has stated, “An anti-trust action against these firms would be an action against Japanese corporate culture. Such an extraterritorial attack would weaken an already strained relationship with one of our closest trading partners.”

I am confident that U.S. industries such as the flat glass and the auto parts industries will take little solace in this point of view.

Mr. Lash deserves a fair hearing. I will not oppose his nomination before I have heard what he has to say about the concerns I have identified, and other issues that may bear on his suitability to head MAC.

However, upon my initial review, particularly of Mr. Lash’s writings, I do have reservations. I will listen carefully. Unfortunately, I cannot be here for the whole testimony, but there will be other opportunities for me to learn more directly your views. Upon learning those, I will make up my mind as to what action I think is appropriate.

But I must say, Mr. Lash, it is my experience, after 20-some years on this committee, that no country—no country—altruistically, out of the goodness of its heart, is going to lower or diminish a trade barrier. They do not do it. The only thing that works is leverage. It is the only thing that works.

I have seen trade negotiators, I have seen people appointed to positions, and new members of Congress get deluded by sweet talk from other countries. Their effectiveness is diminished because of sweet talk by other countries.

I am not saying we take advantage of other countries. I am just saying we do not let ourselves get taken advantage of. We must be fair, but firm. Writings such as yours indicate to me a point of view which, at one level, does not sufficiently protect American interests.

I am not saying we should discriminate against other countries, or be mean, or nasty, and so forth. But I am saying that we have got to stand tall for Americans. Otherwise, countries will talk you to death and nothing gets done. I have learned that through bitter, long experience.

Senator Grassley?

**OPENING STATEMENT OF HON. CHARLES E. GRASSLEY, A U.S.  
SENATOR FROM IOWA**

Senator GRASSLEY. Yes. Thank you very much.

I have something to say about each one of you which I am going to put in the record, except for my friend and former constituent and still-Iowan, Allen Johnson, who is appointed to be U.S. Trade Representative, Chief Agricultural Trade Negotiator.

Allen, congratulations. Congratulations to all of you. But, most importantly, for the position that you are appointed to. You come with a strong background with your preparation academically, through your MBA from Stanford, your MA from Stanford as well.

I appreciate very much the loyal service you gave the people of Iowa, being on my staff for a 2- or 3-year period of time. You have practical experience, most importantly, for a position like you are being appointed to. You have a commitment to agriculture.

I think anybody on this committee knows that the Chief Agricultural Trade Negotiator must have great knowledge of all the facets of our agricultural economy. He must understand, as President Bush said the other day, that our farmers face incredible barriers to trade. So, our negotiator must know how to build coalitions so that he can get good results at the negotiating table.

I have known you, Al, for some time. I know your background, and your family's background, as good farmers at Long Grove, Iowa, and your knowledge of agricultural issues because you worked with me.

I have worked closely with him since he has left my staff, since he got out of Stanford University, in various positions that he has had directly related to agriculture. More importantly, not just in representing agricultural interests, but forming coalitions that are so necessary for agriculture to get its job done.

So I think, Al, when—and I hope it is not an if—you are confirmed, you are going to be one of the best agricultural trade negotiators that this country has had.

As Senator Baucus has said, he has a meeting. I have a meeting that I have to go to. I wish you all well, and particularly you, Al Johnson.

Mr. JOHNSON. Thank you very much.

Senator GRASSLEY. Thank you.

Senator TORRICELLI. Senator Rockefeller, it is my understanding that you would like to introduce Dr. Horn at this point. Then we will have each of the nominees, in turn, introduce themselves and their families.

**OPENING STATEMENT OF HON. JOHN D. ROCKEFELLER IV, A  
U.S. SENATOR FROM WEST VIRGINIA**

Senator ROCKEFELLER. Thank you, Mr. Chairman.

I had to introduce my Governor at a National Governor's Association meeting 10 minutes ago, but I did not want to leave here because I did not want to not introduce Wade Horn.

I would also ask you, in absentia, a question, which I think you want me to ask you, which you can respond to. I also notice the presence of your wife Claudia and your daughter here, and that is very great.

I want to introduce you to my colleagues. I just want to say that the Finance Committee itself actually started the Children's Commission back in 1989. We carried that on for 4 years. It was an enormous range of people, Marion Wright Edelman, to everybody in the whole world.

We surprised the entire world with coming out with an absolutely unanimous report, the Children's Commission, "Beyond Rhetoric," we called it. I will have to say that a lot of what has

happened in family policy and children's policy has been as a result of that report, of which you were a critical part.

I only ask those who listen to understand that Wade Horn was a critical part in ways that are as dramatic, and forceful, and poignant as any that I can remember in my professional life.

You care enormously about children and families, and there is absolutely no doubt on that. You are vastly experienced. You have taught in many places. You are highly credentialed.

It does not mean that you and I have to agree on every single issue, but about the question of your commitment to children and families, there is no doubt whatsoever. You are a proud public servant, and I look forward to working with you. I introduce you, and I am very proud to say that I am going to support you.

Now, let me just quickly ask the question so that you can answer it as if I were here. Some of your previous writings about social policy suggest that you believe that married couples should get priority for Federal programs and services over single mothers.

I do not think that is necessarily your view, and it troubled me, obviously, when I read that, because single mothers oftentimes create a need for services and support. I think you and I both want you to have a chance to clarify what you mean by that.

So you are introduced, endorsed, voted for, and I am out of here. Thank you, Dr. Horn.

Dr. HORN. Thank you, Senator.

Senator TORRICELLI. Thank you, Senator Rockefeller.

At this point, let us go through the nominees, if we could, with an introduction of you own families and any statement you would like to make.

Your complete statements are, of course, entered into the record, but we would love to hear whatever you would like to share with the committee, if only briefly.

In recognition of the new Democratic majority, why do we not start on the left—[Laughter.]

Senator TORRICELLI [continuing]. And we will go down the panel. Mr. Johnson?

**STATEMENT OF ALLEN FREDERICK JOHNSON, TO BE CHIEF AGRICULTURAL NEGOTIATOR, U.S. TRADE REPRESENTATIVE**

Mr. JOHNSON. All right. Well, first let me start with a priority, which is introducing the family.

My wife Sandra is there. My son Andrew, my daughter Alexandria, and my sister Thyese decided to come and visit from out of town from Iowa. So, I am very glad I can have them with me here today.

Senator TORRICELLI. Welcome.

Mr. JOHNSON. Let me just quickly go through the statement that I have prepared.

First of all, we appreciate the opportunity to testify here today, and for holding this nomination hearing.

I would particularly like to thank Senator Grassley for his comments. More important than his comments was his training and guidance over many years.

I am honored and greatly appreciative of the President's nomination to this position. The President places a high priority on trade, and agricultural trade is the top priority.

If confirmed, I look forward to working with this committee and the other committees in addressing the many challenges and opportunities facing our producers, agri-businesses, and food companies, and recognize the need to work very closely with both sides of the aisle in taking care of my responsibilities.

Throughout my career I have been fortunate to work in many environments, representing several agricultural interests, both producers and processors, internationally and domestically, in the government and in the private sector.

I hope to continue the tradition of working with all of those in industry that have an interest in the important trade policies that we face, because the simple fact is that agriculture is dependent on trade. We export one out of three acres, and we continue to be more productive every year as our consumption is flat.

Our world trade picture is very different, with 96 percent of our customers outside of our borders, and that population growing faster, and per capita consumption being increased, much more rapidly than we have here in the United States.

Just a couple of simple facts. The U.S. agriculture is 2.5 times more reliant on trade than the general economy. Our bulk commodities, in particular, are dependent on trade for 30 to 50 percent of their total sales, and high-value products also depend on overseas markets, with over 25 percent of their domestic production being exported.

As Senator Grassley knows very well, in Iowa 27 to 37 percent of cash farm receipts come from trade. Yet, the barriers to trade worldwide are immense. Average agricultural tariffs are over 60 percent, with some as high as 300 percent.

Here in the United States our tariff is 12 percent, on average, and that compares to industrial tariffs of only 4 percent. In addition, our industries face huge export subsidies that are 50 times higher than those in the United States.

I will not repeat the facts that you heard earlier today. I have the unique position of following my boss, so I do not need to repeat everything that he said, except for to say that we are falling behind and the world is moving on without us.

The only way that we are going to succeed is by taking an activist role in negotiating trade agreements, and that will only occur if the administration, the Congress, and industry work together.

I particularly will repeat what the whole hearing was about today, which is that we need trade promotion authority in agriculture, and Senator Grassley showed a letter showing that the agricultural community is broadly in support of that.

Another thing I would just like to recognize before I close is the outstanding team that we have at USTR, USDA, and the other agencies that deal with agriculture, that the quality of people that I will have the pleasure of working with made the decision to accept this responsibility much easier.

Finally, I intend to dedicate myself to working to feed the world more efficiently and more effectively through the negotiation, implementation, monitoring, and enforcement of trade agreements.

We are not going to unilaterally disarm. We will negotiate tough, as Senator Baucus wants us to do. That will create an environment that will be good for our farmers and businesses to compete.

Thank you.

Senator TORRICELLI. Thank you, Mr. Johnson.

[The prepared statement of Mr. Johnson appears in the appendix.]

Senator TORRICELLI. Mr. Lash, to be Assistant Secretary of Market Access and Compliance, Department of Commerce.

Would you introduce your family or guests? Then we would like to hear your brief statement, and we will submit your full statement for the record.

**STATEMENT OF WILLIAM HENRY LASH, III, TO BE ASSISTANT SECRETARY OF MARKET ACCESS AND COMPLIANCE, DEPARTMENT OF COMMERCE**

Mr. LASH. Thank you, Senator Torricelli.

I would like to introduce my wife, Sharon, as well as my friend, J.B. Schwann, who has also been assisting me in this process.

Sir, I am honored and humbled to come before you as President Bush's nominee.

Senator TORRICELLI. Your wife is concerned that you pointed to the wrong wife. [Laughter.]

Mr. LASH. She is not very open-minded, Senator. Thank you. [Laughter.]

I am honored and humbled to come before you as President Bush's nominee for Assistant Secretary of Commerce for Market Access and Compliance. I know the committee has had a hectic schedule this week and I appreciate the time you have set aside for this hearing.

This hearing room is a long way away from the streets of my youth in Jersey City, NJ. They say when you see a turtle in a tree you do not know how he got there, but you can be sure he had help.

I would like to thank the people who have helped me in this American journey, most of all my mother, Vivian Lash, who instilled a sense of confidence, values, love, and stressed the importance of education in the difficult surroundings of the inner city. Also, the nuns at Sacred Heart School in Jersey City, New Jersey who never accepted anything but my best.

Senator TORRICELLI. I had no idea how persuasive these remarks were going to be. [Laughter.]

Mr. LASH. Life is funny that way, is it not, Senator?

And Justice Allen Handler of the Supreme Court of New Jersey, recently retired, who taught me that both sides must always be heard in the quest for justice.

Senator TORRICELLI. Did you work for Allen Handler?

Mr. LASH. I was his clerk.

Senator TORRICELLI. You are confirmed. [Laughter.]

Mr. LASH. That is always good to hear. He will be glad to hear that, too.

But, most importantly, Senator, I would like to thank my wife, Sharon Zackula, and my son, Will, who cannot be here today, for reminding me every day of what is most important in life.

I would also like to thank the members of various industry groups, ranging from the mining industry to the information technology industry, who have written in favor and support of my candidacy.

Although I am a law professor by profession, I served as a lawyer for, and a corporate director of, several companies. Indeed, my first assignment after graduation from law school was assisting a U.S. firm exporting into Europe.

As a corporate director, the firms, I observed, have all grown by exports. Indeed, one of these firms is totally dependent upon exports and the ability to invest in foreign markets.

So I have witnessed firsthand the challenges of small- and medium-sized enterprises and am particularly sensitive to the impact foreign trade barriers have on U.S. exporters and investors.

As I have met with several members of the committee and their staffs over the past weeks, it has become abundantly clear the important role market access and compliance plays in administration of trade matters.

The one thing that everyone has talked about and they have all agreed upon, is the critical role compliance plays in establishing domestic support for trade liberalization.

Last year, the Congress fully funded a MAC's compliance initiative and, if confirmed, I plan to work hard to fully implement that plan, including the new initiatives on China compliance.

Given the international tariff and nontariff barriers that continue to limit U.S. exporters, the President has correctly identified expanded trade and reestablishing Presidential trade promotion authority as a priority.

Future trade agreements and trade liberalization can only be successfully addressed by cooperation and communication with Congress.

If I am fortunate enough to be confirmed by the Senate, I look forward to working with you and your staffs to ensure that American businesses, workers, and farmers get the full benefits of current and future trade agreements.

I look forward to regular consultations and communications with this committee, as the administration and the Congress must agree and move forward in concert on any trade liberalization efforts.

I know that, in particular, Congressional assistance, guidance, and input are crucial for the success of MAC. If I am fortunate enough to be confirmed, I will look to Congress for advice and guidance in implementing the President's trade agenda.

It cannot be disputed that we must enforce the trade agreements we have entered into. We have entered into these agreements and we must be allowed to recover the benefits of our bargains.

If confirmed, I will work with the trade professionals of MAC to identify and investigate trade violations and build unassailable factual records in support of our claims and support the U.S. position.

In February, Secretary Evans asked each member of Congress to identify one member of their staff to work as liaison with the department on trade compliance issues of their constituents.

They will work closely with Congress and our counterparts in the Department of Commerce, the Office of the USTR, the Department

of Agriculture, and other government agencies to ensure U.S. companies receive the full benefits of our trade agreements.

As Senator Baucus stated in his opening comments, I have been, in earlier writings, critical of Section 301. But my more recent writings, I will say as early as 1999, explicitly recognized the importance of trade retaliation.

Now, this revelation came after 10 years of teaching the follies of the E.U.-U.S. beef hormone case with no resolution. After 10 years, obviously, it is clear that something was not working and retaliation is appropriate. My later writings have clearly indicated that I am not afraid, and will eagerly be willing to jump in the fray on behalf of U.S. exporters to open these markets.

Again, thank you for your time. I would be pleased to answer any of your questions.

Senator TORRICELLI. Thank you, Mr. Lash, very much for your statement. I am very relieved to hear you say that. Having spent many years in the House on the Foreign Affairs Committee, traveling the world, I once spent an evening with some Japanese industrialists.

They in fact, said to me, you know, we believe in fair trade, but, much as Senator Baucus said, no one gives up something for nothing. This is ultimately about leverage. No one negotiates openness of markets simply because it is the right thing to do.

So your revelation is well-placed, and I wish you every success with it. A lot will be in your hands.

[The prepared statement of Mr. Lash appears in the appendix.]

Senator TORRICELLI. Mr. Roseboro, Assistant Secretary of Financial Markets, Department of the Treasury. Please introduce your family, and we will be pleased to hear your statement.

**STATEMENT OF BRIAN CARLTON ROSEBORO, TO BE ASSISTANT SECRETARY OF FINANCIAL MARKETS, DEPARTMENT OF THE TREASURY**

Mr. ROSEBORO. Thank you, Senator Torricelli.

Unfortunately, my wife, Valerie, and young children, Cleo and Brian, are unable to be with me here today, as they remain home in the great State of New Jersey, taking care of personal matters.

Senator TORRICELLI. This is an unbelievable panel. [Laughter.]

Mr. ROSEBORO. It is.

Senator TORRICELLI. Well, we regret they are not here, but that is better than identifying the wrong woman as your wife. [Laughter.]

Mr. ROSEBORO. That is true. That is true.

Senator TORRICELLI. So you are already ahead of Mr. Lash.

Mr. ROSEBORO. As in financial markets, that was my hedge, not bringing her, so I was not faced with that possibility.

However, though, in support of my appearance here today is my best friend of 25 years, Inspector Curtis Eldritch of the U.S. Secret Service, who is, once again, watching my back.

Thank you for this opportunity to appear before you today. I am honored that President Bush has nominated me to serve as Assistant Secretary of the Treasury for Financial Markets and, if confirmed, to have the opportunity to work with Secretary O'Neill, the

Treasury staff, and others in the administration to advance the President's economic agenda.

Before proceeding further, I would like to take this opportunity to thank my grandparents, Cleo Duncan Roseboro and James Benjamin Roseboro, Jr., both deceased. It is because of their instilling the values of hard work, perseverance, and faith that I am honored to sit before you today.

If confirmed, I look forward to working closely with this committee, this Senate, and with members of the House of Representatives on a broad range of issues addressed by the Office of Financial Markets.

The Department of Treasury plays a fundamental role in our financial markets. The strength and resilience of the markets are of critical importance to global financial stability and confidence.

In addition to serving as an advisor to Secretary O'Neill on capital market issues, debt management, and Treasury's responses to market events, I especially hope to have the opportunity to work with this committee to improve the efficiency with which we finance the government's obligations.

My 18 years of experience in capital markets have given me the opportunity to learn about, and actively confront, many of the pertinent issues evolving from the globalization of banking and capital markets.

Beginning my career with the Federal Reserve Bank of New York, I learned that macroeconomic policy and operational issues are critical for the development of efficient markets.

Later, private sector opportunities with preeminent global banking and insurance institutions honed my understanding of the issues of those seeking to transfer financial risk and those choosing to manage it.

In sum, I have been afforded a unique opportunity to understand and actively address many issues evolving in financial markets from the perspectives of a regulator, salesperson, a trader, and a corporate-wide risk manager.

Senator Torricelli, thank you again for this opportunity to appear before the committee. I hope the members of the committee will support me, and I promise to work diligently and with an open mind on all matters that this committee may wish to raise with this office. I hope that this will be the beginning of a strong working relationship.

Finally, I would like to thank Secretary O'Neill for the confidence he has shown in me by supporting me for this office.

I would be pleased to answer any questions you or other members of the committee may have.

Senator TORRICELLI. Thank you, Mr. Roseboro.

[The prepared statement of Mr. Roseboro appears in the appendix.]

Senator TORRICELLI. Mr. Keane, to be Assistant Secretary of Public Affairs, Department of Health and Human Services. What part of New Jersey are you from? [Laughter.]

Mr. KEANE. Well, I am from Wisconsin, but we love New Jersey. [Laughter.]

Senator TORRICELLI. Welcome. We are glad to hear from you.

**STATEMENT OF KEVIN KEANE, TO BE ASSISTANT SECRETARY  
OF PUBLIC AFFAIRS, DEPARTMENT OF HEALTH AND HUMAN  
SERVICES**

Mr. KEANE. Mr. Chairman, Senator Torricelli—

Senator TORRICELLI. Would you like to introduce anyone who is here with you today?

Mr. KEANE. Yes. Please allow me to introduce my wife, Christine, who is with us. Everyone tells me I will have a tough job out here, but Chris has had a tougher job. While I have been here the past four months, she has been back in Sun Prairie, Wisconsin caring for our three children, Brendan, Patrick, and Maggie.

She has been taking care of their schooling, their First Communion, the soccer practices, the school trips, the doctor's appointments, the fears of moving. On top of that, she has had to get the house ready for sale by herself, go through the entire sale process by herself, and do the packing and moving by herself.

So, she is an amazing woman and there is no way I would be before you today if God had not blessed me with the good fortune of meeting her. Of course, she is probably thinking she should have run the other way when she had the chance. [Laughter.]

I would also like to introduce my parents, Bill and Mary Keane, who come here today from Geneva, Illinois, outside Chicago. A guy could not ask for two better parents. They have taught me well, supported my endeavors, and given me a strong set of values to guide me through life. I thank them for all they have done for me.

Finally, I would like to thank President Bush and Secretary Thompson for their confidence in nominating me to this position. It is a great honor, and even greater responsibility. If confirmed, I certainly do not plan to let either of them down.

To be brief, the Secretary is setting high expectations for himself and his department to get things done, and he has instilled in his staff a strong ethic for working hard and delivering results.

He has also passed on to us advice from his father, who often told him, you have two ears and one mouth; use them in that proportion and you will do just fine.

So, to members of this committee, the Senate, the Congress, if I am confirmed and there is ever anything I can do to be helpful to you or your staffs, please let me know, I am all ears. In working together, our department will deliver results.

In closing, it is truly an honor to be nominated for this position and testify before this committee. It is not often one gets the chance to serve his President and his country, and this is an opportunity I do not take lightly.

We came here to make a difference. I would greatly appreciate the opportunity to work with this dedicated committee to do just that, if you see fit to confirm my nomination.

Thank you for your time and consideration.

Senator TORRICELLI. Thank you, Mr. Keane, very much.

[The prepared statement of Mr. Keane appears in the appendix.]

Senator TORRICELLI. Dr. Horn, to be Assistant Secretary of Family Support, Department of Health and Human Services.

You, of course, have been introduced, but we would be glad to have any introductions of friends or family and would welcome your statement.

**STATEMENT OF WADE HORN, TO BE ASSISTANT SECRETARY  
OF FAMILY SUPPORT, DEPARTMENT OF HEALTH AND  
HUMAN SERVICES**

Dr. HORN. Thank you.

First, I would like to thank Senator Rockefeller for his generous introduction. There are few people in this world that I have more admiration and respect for than Senator Rockefeller.

Senator TORRICELLI. Well-placed.

Dr. HORN. His passion and commitment to children is unsurpassed, and I am deeply, deeply humbled by his friendship and confidence in me.

I also look forward to addressing the question he asked me during the question and answer period.

I would like to introduce my family. My wife, Claudia, of 24 years, and my younger daughter, Caroline. My older daughter, Christiana, could not be here due to the fact that she is working as a camp counselor at a children's summer camp.

I also wanted to mention, I grew up in New Jersey, Senator. [Laughter.] In fact, I was there this weekend visiting my parents in Bridgewater. It is a wonderful State. [Laughter.]

Mr. Chairman, it is an honor to appear before this committee as President Bush's nominee to be Assistant Secretary for Family Support at the U.S. Department of Health and Human Services.

I am also excited about the prospect of working with HHS Secretary Tommy Thompson, who has been a national leader and innovator in both welfare reform and social services for children and families.

As you know, if I am confirmed for the statutory position of Assistant Secretary for Family Support, I also will serve as Assistant Secretary for the Administration on Children and Families (ACF), an operating division within HHS that seeks to help children achieve healthy development and promote strong and self-sufficient families.

Over the next few years, the challenges and opportunities facing the Administration on Children and Families will be many. As you know, the Nation has been experimenting with new ways of delivering services to low-income children and families through welfare reform.

So far, the evaluations have been encouraging. Case loads are down, as is child poverty. Work effort is up, as are family earnings.

Nevertheless, much remains to be done. We need, for example, to find ways not only to help former welfare recipients find jobs, but also aid them in developing job retention and career advancement skills.

At the same time, we need to develop more effective strategies for dealing with the hard to employ, and find ways to overcome the problem of deep poverty.

In addition, we need to build upon encouraging news concerning declining teen pregnancy rates, as well as recent efforts to help non-custodial parents both pay the child support their children deserve, and provide the emotional and psychological support their children need.

Finally, rather than merely accommodating to present realities, we also need to be engaged in prevention. As such, I believe we

need to think creatively about finding ways to help couples form and sustain healthy, mutually-satisfying, and equal-regard marriages so that more children can grow up with the love and devotion of both their mom and their dad.

In these and every other programmatic effort within ACF, my goal, if confirmed, will be to put the needs and interests of children first. That is why I am excited about the prospect of helping the President fulfill his promise to strengthen the early literacy component in Head Start so that we can better ensure that every economically disadvantaged child arrives at school better prepared for academic success.

If confirmed, I also will challenge the programs within ACF to bring more focus to the needs of our Nation's youth. With high rates of teen drug and alcohol use, school failure, violence, pregnancy, and most tragically, suicide, I will, if confirmed as Assistant Secretary, seek to bring a renewed emphasis on the needs of our Nation's youth in addition to those of our very young.

The goal of ACF is to improve the well-being of children and strengthen families. This is a goal to which I have been deeply committed throughout my career.

Mr. Chairman, if confirmed, I pledge to work on a bipartisan basis with you, the members of this committee, the Congress, and the administration to ensure that ACF reaches that goal.

Thank you.

Senator TORRICELLI. Thank you, Dr. Horn, very much.

[The prepared statement of Dr. Horn appears in the appendix.]

Senator TORRICELLI. It is customary now to ask three standard questions that may seem routine, but are also very important to members of this committee.

Mr. Johnson, I am going to ask you. We want this on the record for each of you for future reference. If you would respond yes or no, going across the panel, to each of these three questions.

First, Mr. Johnson, is there anything you are aware of in your background that might present a conflict of interest with the duties of the office to which you have been nominated?

Mr. JOHNSON. No.

Senator TORRICELLI. Mr. Lash?

Mr. LASH. No, Senator.

Senator TORRICELLI. Mr. Roseboro?

Mr. ROSEBORO. No, sir.

Senator TORRICELLI. Mr. Keane?

Mr. KEANE. No.

Senator TORRICELLI. Dr. Horn?

Dr. HORN. No.

Senator TORRICELLI. Each of the nominees, for the record, have responded "no."

Second, do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Mr. Johnson?

Mr. JOHNSON. No.

Senator TORRICELLI. Mr. Lash?

Mr. LASH. No, sir.

Senator TORRICELLI. Mr. Roseboro?

Mr. ROSEBORO. No, sir.

Senator TORRICELLI. Mr. Keane?

Mr. KEANE. No, Senator.

Senator TORRICELLI. Dr. Horn?

Dr. HORN. No, sir.

Senator TORRICELLI. The nominees have responded in the negative.

Third, and this is, indeed, an important question that I trust you will remember, it has to do with the relationships between your office and this Congress, and I can assure you you will be asked in the future to respond based on this question, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly-constituted committee of Congress, if you are confirmed?

Mr. Johnson?

Mr. JOHNSON. Yes, sir.

Senator TORRICELLI. Mr. Lash?

Mr. LASH. Yes, sir.

Senator TORRICELLI. Mr. Roseboro?

Mr. ROSEBORO. Yes, sir.

Senator TORRICELLI. Mr. Keane?

Mr. KEANE. Yes, sir.

Senator TORRICELLI. Dr. Horn?

Dr. HORN. Yes, sir.

Senator TORRICELLI. Each of the nominees have each responded in the affirmative.

If I could, Mr. Lash, I know that, in substance, you responded to Senator Baucus' comments earlier in the exchange you had with me.

It would, however, be helpful to the committee if you would, in writing, respond in some substance to Senator Baucus' comments and the comments that you shared with me about your current views, putting the prior statements in perspective, about the use of sanctions, law, or influence to open markets and enforce access.

Mr. LASH. I would be glad to, Senator.

Senator TORRICELLI. Please do that.

[The information appears in the appendix.]

Senator TORRICELLI. Mr. Roseboro, Secretary O'Neill created some concern and consternation in recent days with his comments about the assets in Social Security, which I am sure he is in the process of clarifying.

But let me ask you, simply, in your estimation, does Social Security have assets?

Mr. ROSEBORO. It has been my experience in markets that, when statements are reported, what is usually missing is the context in which the statement was made. In this particular instance, not having attended the conference where the Secretary reportedly made the comment, or seen a transcript of it, I would answer that question based on my personal perspective and interpretation of it.

I would say, from the perspective of the trust fund, and it is a perspective that is effectively a subset of a whole, holding these securities are obligations of the Federal Government and, from an accounting/bookkeeping perspective, can be classified as assets.

However, from the perspective of the Federal Government or the perspective of all of the accounts, these assets are offset, balanced, by the liability of issuing these securities.

So from the perspective of the Federal Government, there is no net asset. I personally would assume that that is what the Secretary was saying.

Senator TORRICELLI. I think that is helpful. My point in doing this is not to embarrass Secretary O'Neill, it is to get a clarification because it is important that senior citizens, that citizens of our country, generally, understand the strength of the Social Security fund.

For them to read that Social Security has no assets has a disturbing impact on people who are basing their lives on the strength of the fund. So, in fact, these special securities in Social Security have the same full faith and credit of the U.S. Government as a marketable security.

Mr. ROSEBORO. Absolutely.

Senator TORRICELLI. Therefore, defaulting on these securities held by Social Security is as unlikely as defaulting on any other U.S. Government security, making the Social Security fund equally secure.

Mr. ROSEBORO. I fully agree, Senator.

Senator TORRICELLI. Indeed, Social Security could redeem these securities for cash at any time, if it were in its interests to do so.

Mr. ROSEBORO. Yes, sir. I understand that to be true.

Senator TORRICELLI. That is all very helpful.

I do not have any other questions at this time. It is, however, possible—even likely—that each of you might be asked, in writing, to answer further questions of the staff before confirmation or any clarifications of points. I assume each of you, in the absence of anyone saying anything to the negative, are free to do so.

Will each of you agree to respond in writing to any questions that staff may present to you before confirmation?

Mr. JOHNSON. Yes.

Dr. HORN. Yes.

Mr. LASH. Yes.

Mr. ROSEBORO. Yes.

Mr. KEANE. Yes.

Senator TORRICELLI. Dr. Horn, you were also asked a question by Senator Rockefeller. Would you like to respond at this point before we close?

Dr. HORN. Yes, I would. I welcome the opportunity to clarify my thinking on this particular point.

Five years ago, I co-authored a report called "Fathers, Marriage, and Welfare Reform" for the Hudson Institute. In that 35-page report, there were 20 recommendations, of which one was the idea that one way States could consider encouraging marriage would be to privilege marriage in the distribution of certain limited supply welfare benefits for low-income married couples.

That report was intended to kick-start a conversation at the onset of welfare reform about ways to think creatively about implementing one of the stated purposes of welfare reform, which was to encourage marriage.

I have listened thoughtfully to critics of that particular recommendation over the years and have come to the conclusion that it is neither a viable, nor helpful, recommendation. In fact, I have come to the conclusion that it is a divisive recommendation, one which I no longer hold to.

In fact, I was asked this winter by the Acton Institute for my permission to reprint that report as part of a collection of writings on welfare reform. I agreed, under one condition, which was that I would have the opportunity to update the report. One of the things that I did when I updated that report, was delete that recommendation.

I have come to the conclusion that the far better way of supporting marriage is to help couples who choose marriage for themselves on the front end by helping them develop the skills and knowledge necessary to form and sustain healthy, mutually-satisfying, equal-regard marriages.

In doing so, the existing literature suggests that about 10 to 15 percent of couples that go through premarital education will get diverted away from marriage, because some couples are simply not ready for marriage.

There may be domestic violence issues, for example, which would be a contraindication for marriage. I know of no research that would suggest that the solution to domestic violence is for the couple to get married.

To the contrary, the solution for domestic violence is for the couple to break up, and for the victimizer, to enter treatment and/or perhaps even go to jail.

So I have come to a very different conclusion than I held 5 years ago, a very different viewpoint. As such, I welcome this opportunity to clarify my current thinking on this particular issue.

Senator TORRICELLI. Thank you, Dr. Horn, very much.

First, I am gratified you clarified your comments. I know Senator Rockefeller will be pleased.

I do want to note, however, that in my judgment it is also the responsibility of the government to be fairly neutral in these matters.

I remember, during welfare reform, what we were finding in my own State was that welfare laws were, indeed, set up where sometimes there was a financial incentive in setting up a new household.

We found this less in marriage than we often did with minors having their own babies, where having your own baby allowed you to get a new household set up under welfare.

So, an 18-year-old, not wanting to live at home, having a child, was then subsidized to establish a new household in poverty. I think that there are always unintended consequences of these things and a single mother should not be discriminated against.

I think it is also important to try to look at these as carefully as possible to make sure that they are not unintended consequences of living arrangements or disincentives for people to be in stable settings, of mothers, fathers, or other support groups for young children.

It is a complicated and difficult enterprise. I am glad that you have given more thought to this and given the community your insights about it.

Are there any further comments that any of the nominees would like to make?

[No response.]

Senator TORRICELLI. If not, I will look forward to seeing you confirmed, and wish you good luck in your responsibilities. I know you will serve our government with distinction.

The committee is recessed.

[Whereupon, at 12:55 p.m., the hearing was concluded.]



## APPENDIX

### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

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#### PREPARED STATEMENT OF WADE F. HORN, PH.D.

Mr. Chairman and members of the Committee, my name is Wade F. Horn, Ph.D. It is an honor to appear before you this morning as President George W. Bush's nominee to be Assistant Secretary for Family Support in the Department of Health and Human Services (HHS). I am also excited by the prospect of working with HHS Secretary Tommy Thompson who has been a national leader and innovator in both welfare reform and social services for children and families.

As you know, if I am confirmed for the statutory position of Assistant Secretary for Family Support, I also will serve as Assistant Secretary for the Administration for Children and Families (ACF), an operating division within HHS that seeks to help children achieve healthy development and promote strong and self-sufficient families.

If confirmed, I will bring to this position a broad range of experiences that I believe have prepared me for this important job. I began my career at Michigan State University where I was an assistant professor in the Department of Psychology and associate director of the MSU Psychological Clinic.

From there, I went to Children's Hospital National Medical Center in Washington, D.C., where I served as director of outpatient psychological services and vice chair of the Department of Pediatric Psychology. Subsequently, in 1989, I was appointed by President George Herbert Walker Bush to serve as Commissioner of the Administration for Children, Youth and Families and Chief of the Children's Bureau at HHS, where I gained valuable experience administering many of the programs I will be overseeing, if confirmed, as Assistant Secretary for Family Support.

After leaving HHS in 1993, I helped to found the National Fatherhood Initiative, a non-partisan, non-sectarian organization whose mission is to improve the well-being of children by increasing the number of children growing up with involved, committed and responsible fathers in their lives. Since 1993, I also have been an adjunct professor at Georgetown University's Public Policy Institute.

It also has been my privilege to serve on a number of national commissions and advisory panels concerned with improving the well-being of children. From 1989-1993, I served as a presidential appointee to the National Commission on Children, ably chaired by Senator Jay Rockefeller, a member of this Committee. Over the past decade, I have also served on the National Commission on Childhood Disability, the U.S. Advisory Board on Welfare Indicators, the U.S. Advisory Board on Kinship Care, and the U.S. Advisory Committee on Head Start Research and Evaluation.

Over the next few years the challenges—and opportunities—facing ACF will be many. As you know, the nation has been experimenting in new ways of delivering services to low-income children and their families through welfare reform. So far, evaluations of those efforts have been encouraging. Caseloads are down, as is child poverty. Work effort is up, as is family earnings.

Nevertheless, much work remains to be done. We need, for example, to find ways not only to help former welfare recipients find jobs, but also aid them in developing job retention and career advancement skills. At the same time, we need to develop more effective strategies for dealing with the hard-to-employ and find ways to overcome the problem of deep poverty.

In addition, we need to build upon encouraging news concerning declining teen pregnancy rates as well as recent efforts to help non-custodial parents both pay the child support their children deserve and provide the emotional and psychological support their children need.

Finally, rather than merely accommodating to present realities, we also need to be engaged in prevention. As such, I believe we need to think creatively about finding ways to help couples form and sustain healthy marriages so that more children can grow up with the love, devotion and support of both their mom and their dad.

In these and every other programmatic effort within ACF, my goal, if confirmed, will be to put the needs and interests of children first. That is why I am excited about the prospect of helping the President fulfill his promise to strengthen the early literacy component in Head Start to ensure that every economically-disadvantaged child arrives at school better prepared for academic success.

If confirmed, I also will challenge the programs within ACF to bring more focus to the needs of our nation's youth. Too often when we speak of children's programs, we speak almost exclusively of services for infants, toddlers and preschoolers. Such work is, of course, of great importance. As a clinical child psychologist, I know how important it is to help children get off to a healthy and secure start in life.

At the same time, however, we cannot neglect the needs of our nation's youth. With high rates of teen drug and alcohol use, school failure, violence, pregnancy and, most tragically, suicide, I will, if confirmed as Assistant Secretary, seek to bring a renewed focus on the needs of our nation's youth in addition to those of very young children.

The goal of ACF is to improve the well-being of children and strengthen families. This is a goal to which I have been deeply committed throughout my career. Mr. Chairman, if confirmed, I pledge to work on a bi-partisan basis with you, members of this Committee and the Congress to ensure ACF reaches that goal.

Thank you for this opportunity to testify before you today, and I would be pleased to answer any questions you may have.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

**1. Name: (Include any former names used.)**

Wade Frederick Horn, Ph.D.

**2. Position to which nominated:**

Assistant Secretary for Family Support  
U.S. Department of Health and Human Services

**3. Date of nomination:**

April 6, 2001

**4. Address: (List current residence, office, and mailing addresses.)**

Residence: 16049 Copen Meadow Drive  
Gaithersburg, MD 20878  
Phone: 301-990-0297  
Fax: 301-948-0410  
e-mail: [drwadehorn@aol.com](mailto:drwadehorn@aol.com)

Office: The National Fatherhood Initiative  
101 Lake Forest Blvd, Suite 360  
Gaithersburg, MD 20877  
Phone: 301-948-0599  
Fax: 301-948-0410  
e-mail: [nfi1995@aol.com](mailto:nfi1995@aol.com)

5. **Date and place of birth:**

12/03/54 – Coral Gables, FL

6. **Marital status: (Include maiden name of wife or husband's name.)**

Married to Claudia B. Horn (formerly Claudia Watson Blair)

7. **Names and ages of children:**

Christiana Watson Horn, age 18 years (DOB: 07/11/82)

Caroline Lindley Horn, age 16 years (DOB: 12/11/84)

8. **Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)**

Southern Illinois University, attended August 1976 through August 1981, degrees received an M.A. and a Ph.D. in clinical child psychology, M.A. awarded in December, 1978, and Ph.D. awarded August, 1981

The American University, attended August 1972 through December 1975, received a B.A. in psychology, degree awarded in December, 1975.

9. **Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)**

1994-Present: *President*  
The National Fatherhood Initiative  
Gaithersburg, MD

1993-Present: *Adjunct Faculty*  
The Georgetown Public Policy Institute  
Georgetown University, Washington, D.C.

1996-1997: *Adjunct Faculty*  
Robertson School of Government  
Regent University  
Virginia Beach, VA

- 1993-1994: *National Executive Director*  
Children and Adults with Attention Deficit Disorders, Inc.  
Plantation, FL, & Washington, D.C.
- 1989-1993: *Commissioner, Administration for Children, Youth and Families, and Chief of the Children's Bureau*  
U.S. Department of Health and Human Services  
Washington, D.C.
- 1986-1989: *Director, Outpatient Psychological Services*  
Department of Psychiatry  
Children's Hospital National Medical Center  
Washington, D.C.
- 1986-1989: *Vice Chairman*  
Department of Pediatric Psychology  
Children's Hospital National Medical Center  
Washington, D.C.
- 1986-1989: *Associate Professor of Psychiatry and Behavioral Sciences and of Child Health and Development*  
George Washington University School of Medicine,  
Washington, D.C.
- 1982-1986: *Assistant Professor*  
Department of Psychology  
Michigan State University  
East Lansing, MI
- 1984-1986: *Associate Director*  
Michigan State University's Psychological Clinic  
East Lansing, MI
- 1984-1986: *Director*  
Pediatric Psychology Specialty Clinic  
Michigan State University's Psychological Clinic  
East Lansing, MI
- 1983-1986: *Adjunct Faculty*  
Department of Pediatrics  
College of Human Medicine Michigan State University  
East Lansing, MI

- 1981-1982: *Post-doctoral Clinical Psychology Fellowship*  
Behavioral Medicine Research Laboratory  
Children's Hospital National Medical Center  
Washington, D.C.
- 1981-1982: *Member*  
Consultation Group for Research Design, Statistical  
Analysis, and Computer Use  
Research Foundation of Children's Hospital  
Children's Hospital National Medical Center  
Washington, D.C.
- 1980-1981: *Pre-doctoral Internship*  
Department of Pediatric Psychology  
Children's Hospital National Medical Center  
Washington, D.C.
- 1978-1979: *Behavior Analyst and Psychological Consultant*  
Early Childhood Program  
Wabash and Ohio Valley Special Education District  
Norris City, IL

**10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)**

- 2000-present: *Member*  
Behavior Change Expert Panel  
Office of National Drug Control Policy  
Washington, D.C.
- 1999-Present: *Member*  
U.S. Advisory Committee on Head Start Research and  
Evaluation  
U.S. Department of Health and Human Services  
Washington, D.C.
- 1998-1999: *Member*  
U.S. Advisory Board on Kinship Care  
U.S. Department of Health and Human Services  
Washington, D.C.

- 1996-1997: *Member*  
U.S. Advisory Board on Welfare Indicators  
U.S. Department of Health and Human Services  
Washington, D.C.
- 1994-1995: *Member*  
National Commission on Childhood Disability  
Washington, D.C.
- 1990-1993: *Member*  
National Commission on Children  
Washington, D.C.

**11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)**

- 2000-2001: *Consultant/Grant Reviewer*  
Smith-Richardson Foundation  
Westport, CT
- 2000-2001: *Member, Board of Advisors*  
Stepfamily Association of America  
Boston, MA
- 1999-2001: *Member, Board of Directors*  
Institute for Youth Development  
Sterling, VA
- 1999-2000: *National Spokesperson*  
Duracell Ultra Kids' Choice Toy Survey  
New York, NY
- 1998-2001: *Member, Board of Directors*  
Best Friends Foundation  
Washington, D.C.
- 1998-2001: *Member, Religion Task Force*  
National Campaign to Prevent Teen Pregnancy  
Washington, D.C.

1998-2000: *Consultant*  
Heinz Family Foundation  
Pittsburgh, PA

1997-2001: *Member, Board of Advisors*  
National Marriage Project  
Piscataway, NJ

1997-2001: *Adjunct Fellow*  
Duquesne Family Institute  
Duquesne University  
Pittsburgh, PA

1997-2001: *Member, Board of Directors*  
The Alliance Group  
Gaithersburg, MD

1996-2001: *Member, Board of Advisors*  
Independent Women's Forum  
Arlington, VA

1996-2001: *Consultant/Grant Reviewer*  
Dorothy Rider Pool Health Care Trust  
Allentown, PA

1996-1998: *Member, Board of Visitors*  
Regent University  
Robertson School of Government  
Virginia Beach, VA

1995-present: *Member, Board of Directors*  
Awakenings  
Atlanta, GA

1995-2001: *Consultant/Grant Reviewer*  
Randolph Foundation  
New York, NY

1995-2001: *Member, Board of Directors*  
Marriage Savers, Inc.  
Bethesda, MD

1995: *Consultant*  
Mallinckrodt Chemical, Inc.  
Chesterfield, MO

- 1994-1995: *Member, Board of Directors*  
Children and Adults with Attention Deficit Disorders, Inc.  
Plantation, FL
- 1993-2001: *Affiliate Scholar*  
Institute for American Values  
New York, NY
- 1993-2001: *Adjunct Fellow*  
The Hudson Institute  
Indianapolis, IN
- 1992-1995: *Member, National Board of Directors*  
National Center for Learning Disabilities, Inc.  
New York, NY
- 1992-1993: *Member, Board of Directors*  
Karitas Foundation  
Houston, TX

**12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)**

Member, American Psychological Association (current)  
Member, Gaithersburg Presbyterian Church (current)  
Member, Association for the Advancement of Behavior Therapy (past)  
Member, Professional Group for Attention Deficit and Related Disorders (past)  
Board member, College Park Homeowners Association (past)

**13. Political affiliations and activities:**

**a. List all public offices for which you have been a candidate.**

None.

**b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

2000-2001: Member, Advisory Group to Presidential Transition Team

1999-2000: Member, Welfare Issues Advisory Group, Bush for President Campaign

1988-1989: Member, Presidential Transition Team, Office of the President-Elect, Washington, D.C.

1987-1988: Member, Health Care Advisory Group, Bush for President Campaign

**c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.**

2000: \$1000, George W. Bush for President Campaign

2000: \$ 600, Republican National Committee

1998: \$ 225, Republican National Committee

1997: \$ 25, Republican National Committee

1996: \$ 190, Republican National Committee

1995: \$ 25, Republican National Committee

1992: \$1000, George H.W. Bush for President Campaign

1989: \$ 100, Republican Party, State of Maryland, Lincoln Day Dinner

**14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)**

Award for Distinguished Leadership in Head Start Research, November 1993, U.S. Department of Health and Human Services

Fourteenth Simpson-Ramsey Guest Lecturer Award, January 1993, University of Alabama at Birmingham

Secretary's Certificate of Appreciation, January 1993, U.S. Department of Health and Human Services

Office of the Assistant Secretary for Health Special Recognition Award, June 1992, U.S. Department of Health and Human Services

Award for Distinguished Leadership, August 1991, American Psychological Association Division of State Psychological Association Affairs

Secretary's Commendation, June 1989, U.S. Department of Health and Human Services

Dissertation Research Award, 1979-1980, Southern Illinois University

Member of Phi Kappa Phi honor society, Southern Illinois University and The American University chapters

15. **Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)**

Horn, W.F. (in press). Turning the hearts of the fathers: Faith-based approaches to promoting responsible fatherhood. In: Fagan, J., & Hawkins, A.J. Interventions for Fatherhood. New York: Haworth Press.

Horn, W.F. (2001). Wedding bell blues: Marriage and welfare reform. Brookings Review, 19(3), Summer, 39-42.

Horn, W.F. (2000). Fathering infants. In: Osofsky, J.D., & Fitzgerald, .E. (Eds.), WAIMH Handbook of Infant Mental Health. New York: Wiley: 269-298.

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**NOTE:** Since June 16, 1997, I have been writing a weekly column entitled "Fatherly Advice" which appears in *The Washington Times*. This column is also periodically distributed via Knight-Ridder News Services. I have attached as many copies of these columns as I can locate.

16. **Speeches:** (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

**NOTE:** Below are listed speeches I have delivered over the past five years. As I do not deliver speeches from prepared texts, I cannot provide the committee with copies of these speeches.

February 24, 2001, presented a workshop entitled "Stepfathers are Fathers, Too" at the National Conference of Stepfamilies in New Orleans, LA.

February 22, 2001, participated in a panel discussion on "Perspectives on National Fatherhood Policy" at the Annie E. Casey Foundation in Baltimore, MD.

February 5, 2001, participated in a plenary session panel discussion on "Child Support Enforcement and Non-Custodial Fathers" at the annual policy seminar of the National Child Support Enforcement Association in Washington, D.C.

February 2, 2001, presented on "Fathers, Marriage and Welfare Reform" at The New World of Welfare: Shaping a Post-TANF Agenda for Policy conference in Washington, D.C.

December 8, 2000, presented on the work of the National Fatherhood Initiative to the National Council of State Legislatures' Task Force on Fatherhood in New Orleans, LA.

December 5, 2000, provided invited testimony on "Integrating Marriage Promotion into Fatherhood Programs" to the Florida Commission on Responsible Fatherhood in Tallahassee, FL.

December 1, 2000, delivered the dinner keynote address on "Fatherhood and Marriage" at the annual Marriage Savers Training Conference in Alexandria, VA.

December 1, 2000, delivered the luncheon keynote address on "Promoting Fatherhood: Making Room For Daddy" at the Rhode Island Fatherhood Summit in Providence, RI.

November 29, 2000, presented an overview of the fatherhood programs and initiatives to the Ohio Commission on Fatherhood in Columbus, OH.

November 21, 2000, presided at a press conference at the National Press Club in Washington, D.C., announcing the release of NFI's second annual analysis of the portrayal of fatherhood on television.

November 13, 2000, presented a paper entitled "The Changing Goals of Special Education: Time to Make Special Education 'Special' Again" at the Special Education Reform Conference in Washington, D.C.

November 2, 2000, delivered the opening keynote address on "Promoting Local Fatherhood Initiatives" at the Mayor's Summit on Fatherhood 2000 in Chesapeake, VA.

October 11, 2000, made a presentation on "Fatherhood in America: Making Room for Daddy" at the Rotary Club of Birmingham in Birmingham, AL.

October 10, 2000, made a presentation on "Promoting Fatherhood in Faith-Based Organizations" at the Alabama Pastor's Summit on Fatherlessness in Montgomery, AL.

September 29, 2000, presented on "Can Welfare Policies Encourage Marriage?" at the Brookings Institution's Children's Roundtable in Washington, D.C.

September 26, 2000, presented on "Issues of Concern to America's Fathers: Reflections on Past Successes and Future Goals" at the 10<sup>th</sup> National Child Support Enforcement Training Conference in Baltimore, MD.

September 23, 2000, delivered the opening keynote on "The Fatherhood Movement: Where Do We Go From Here?" at the Governor's Conference on the Family in Bozeman, MT.

September 20, 2000, presented on "Fatherhood: An Uncertain Dawn or a Troubling Sunset?" at the Institute for American Values annual Symposium in New York City, NY.

September 18, 2000, made a presentation on "Understanding Youth Culture" at the Right Choices for Youth 2000 Governor's Conference in Richmond, VA.

September 8, 2000, presented on "Fathers, Marriage and Welfare Reform" at the New World of Welfare: Shaping a Post-TANF Agenda for Policy conference in Ann Arbor, MI.

September 1, 2000, delivered a keynote presentation entitled, "The Fatherhood Movement: Where Do We Go From Here?" at the Responsible Fatherhood: Strengthening Children, Families, Communities conference sponsored by the regional office of the U.S. Administration on Children and Families in Boston, MA.

August 29, 2000, presented on "Natural Law and Fatherhood" at a meeting of the Natural Law Study Center in Vienna, VA.

July 14, 2000, delivered the opening keynote address at the American Leadership Council's regional meeting in Scottsdale, AZ.

July 13, 2000, delivered the keynote address at the annual awards dinner of the Arizona Parenting Alliance in Phoenix, AZ.

July 11, 2000 made a presentation at a press conference sponsored by the Annie E. Casey Foundation on the occasion of the release of the annual report on key national indicators of child well being by the Federal Interagency Form on Child and Family Statistics.

June 29, 2000, delivered the opening keynote address entitled, "Fathers Count and Marriage Matters" at the Smart Marriages conference in Denver, CO.

May 30, 2000, made a plenary session panel presentation entitled "Advocates' Perspectives on the Fatherhood Movement" at the International Conference on Fatherhood in New York City, NY.

May 26, 2000, delivered the opening keynote address on "A National Perspective on Responsible Fatherhood Initiatives" to the inaugural meeting of the Governor's Commission on Responsible Fatherhood in Raleigh, NC.

May 23, 2000, made a plenary session presentation entitled "Fatherhood, Marriage and the Family: Can Humpty Dumpty Be Put Back Together Again?" at the Conference on Christianity, Gender, and the Family at Eastern College in St. Davids, PA.

April 27, 2000, made a presentation on "Welfare Reform Part II: Marriage" at the Heritage Foundation's 23<sup>rd</sup> Annual Resource Bank meeting in Chicago, IL.

April 25, 2000, participated in a panel discussion on the next phase of welfare reform at the Heritage Foundation in Washington, D.C.

April 14, 2000, delivered the keynote dinner address at the annual banquet of Bethany Christian Services in McLean, VA.

April 12, 2000, made a presentation on "Fatherhood and Male Responsibility" at the Virginia Partners in Prevention conference in Fredericksburg, VA.

April 11, 2000, made a presentation on "The Role and Responsibilities of Biological Fathers" at the National Council for Adoption's Annual Conference and Professional Development Day in Washington, D.C.

March 31, 2000, made a presentation on fatherhood initiatives to administrators and policy officials at a meeting of the Human Resources Administration Management Advisory Committee in New York City, NY.

March 10, 2000, made a presentation entitled, "Promoting Marriage to Promote Responsible Fatherhood" at the Revitalizing the Institution of Marriage for the 21<sup>st</sup> Century Conference in Provo, UT.

February 25, 2000, participated as a discussant on Head Start reform at a meeting of the Children's Roundtable at the Brookings Institution in Washington, D.C.

February 24, 2000, participated in a panel discussion on indicators of cultural health at the Healthy Culture Conference in Washington, D.C.

February 8, 2000, gave a presentation on "Fatherhood Initiatives: A National Perspective" at the DC Family Policy Seminar in Washington, D.C.

January 28, 2000, made a presentation on legislative issues concerning the promotion of fatherhood to Democrat staffers of the Senate Finance Committee in Washington, D.C.

January 9, 2000, made a presentation entitled, "Parenting Matters: Is it Quality or Quantity?" at the Awakenings 2000 conference in Sea Island, GA.

January 6, 2000, made a presentation at the annual meeting of the American Association of Law Schools entitled, "Rethinking Fatherhood: Legal, Social and Economic Perspectives" in Washington, D.C.

December 8, 1999, made a presentation on "Fathers, Cohabitation and Marriage: What Works Best for Children?" at the Child Well-Being Under Welfare Reform conference in Washington, D.C.

November 17, 1999, made a presentation entitled "The Family, Civil Society and the State" at the World Congress of Families II in Geneva, Switzerland.

October 30, 1999, participated in a panel entitled, "What We Have Learned About Promoting Marriage and the Family" at the Philanthropy Roundtable's annual conference in Naples, FL.

October 26, 1999, offered opening remarks at the first-ever Allegheny County Fatherhood Forum in Pittsburgh, PA.

October 21, 1999, made a keynote presentation on "Involving Fathers in the Perinatal Period" at the National Perinatal Association's Annual Clinical Conference and Exposition in Milwaukee, WI.

October 14, 1999, made the opening keynote presentation at the Michigan Family Support Council's annual training conference in Petoskey, MI.

September 30, 1999, provided a briefing on NFI's Pittsburgh Fatherhood Initiative to philanthropic organizations located in the Pittsburgh area.

September 29, 1999, made a presentation at New York City's Human Resource Administration on ways to promote responsible fatherhood and marriage within an urban context.

September 28, 1999, presented a workshop on male involvement in abstinence education at the "Abstinence Education Workshop" sponsored by the Texas Department of Health in Austin, TX.

September 23, 1999, gave a plenary session address at Governor Gilmore's Conference on "Right Choices for Youth" in Richmond, VA.

August 23 – 25, 1999, gave a series of lectures in Buenos Aires and Mendoza, Argentina, on child and family welfare issues and the importance of early childhood education programs.

August 7, 1999, made a keynote presentation on "Fatherhood, Abstinence and Marriage: Connecting the Dots" at the Medical Institute for Sexual Health's second national training conference in Austin, TX.

July 27, 1999, made a presentation to new fathers at "Dad's Night" at Camden Yards, home to baseball's Baltimore Orioles.

July 14, 1999, participated in a press conference on Capital Hill announcing the introduction of "The Responsible Fatherhood Act of 1999" along with Senate co-sponsors Evan Bayh (D-IN) and Pete Domenici (R-NM).

June 25, 1999, made a keynote presentation entitled "Fatherhood, Marriage and Abstinence: Connecting the Dots," at the Abstinence/Fatherhood Summit in Secaucus, NJ.

June 18, 1999, participated in a plenary session panel at Governor Gary Locke's "Connecting Fathers, Families and Communities: Dads Make A Difference" Conference in Green River, WA.

June 14, 1999, presided at the National Fatherhood Initiative's National Summit on Supporting Urban Fathers in Washington, D.C.

May 17, 1999, delivered the keynote luncheon speech at the first-ever statewide Fatherhood Conference in Virginia Beach, VA.

May 12, 1999, conducted a workshop in Herkimer, NY, on encouraging father involvement for the upper New York state network of the Healthy Mothers/Healthy Babies Program.

May 10, 1999, participated in a plenary session panel at Governor Tommy Thompson's Wisconsin Fatherhood Initiative Summit in Chula Vista, WI.

April 12, 1999, delivered opening keynote address at Governor James B. Hunt's North Carolina Fatherhood Summit in Charlotte, NC.

March 31, 1999, presented "What About the Boys?" at the Governor's Conference on Right Choices for Youth in Austin, TX.

March 26, 1999, delivered keynote luncheon address at the Illinois Fatherhood Summit in Chicago, IL.

March 22, 1999, delivered keynote on "What Can We Do To Promote Marriage Through Public Policy?" at the Governor and First Lady's Conference on Marriage, in Oklahoma City, OK.

February 26, 1999, presentation on "Fathers and Welfare Reform" as part of a Capitol Hill seminar series on welfare reform co-sponsored by the American Enterprise Institute and the House Ways and Means Committee.

February 18, 1999, participated in luncheon presentation sponsored by the Minneapolis-based Center of the American Experiment, coinciding with the release of *The Fatherhood Movement: A Call to Action*, a book for which I served as lead editor.

February 10, 1999, participated as presenter and moderator at Congressional briefing on Child Welfare Reform sponsored by the office of the Majority Whip Tom Delay.

February 1, 1999, participant in panel discussion on public policy issues at the National Child Support Enforcement Association's annual policy forum in Washington, D.C.

January 7, 1999, participated as an invited panelist at The Brookings Institute's Roundtable on Children in Washington, D.C.

December 9, 1998, presented at the Heritage Foundation in Washington, D.C. on "Future Research Issues Concerning Fatherhood and Marriage."

December 8, 1998, presented at the Urban Institute in Washington, D.C., on "How to Finance Services to Poor Dads."

November 5, 1998, made a presentation on what we know about the effectiveness of fatherhood promotion programs at the Conference on African-American Fathers at Moorehouse College in Atlanta, GA.

October 16, 1998, delivered the opening keynote address at the Tennessee Fatherhood Summit in Chattanooga, TN.

October 15, 1998, delivered the keynote banquet address at the annual meeting of the Tennessee Association for the Education of Young Children in Chattanooga, TN.

October 8, 1998, delivered the opening keynote presentation at the Texas Fatherhood Forum in Houston, TX.

September 22, 1998, made a series of presentations to state and local community leaders in Burlington, VT, on ways to promote responsible fatherhood.

September 19, 1998, made a presentation on "The Importance of Marriage and Responsible Fatherhood" at the annual conference of the Christian Coalition in Washington, D.C.

August 27, 1998, participated in a press conference along with Governor Tommy Thompson at the Milwaukee Zoo announcing the launching of the Wisconsin Fatherhood Initiative.

August 3, 1998, made a presentation to the Human Resources Committee of the National Governors' Association in Milwaukee, WI, on ways states can help implement the action agenda generated at NFI's Second National Summit on Fatherhood.

June 17, 1998, delivered a keynote address in Orlando, FL, at a symposium on fatherhood sponsored by the Florida Commission on Responsible Fatherhood.

June 5, 1998, made a presentation in Washington, D.C. on "Fatherhood Education and the New Fathers Counts Block Grant" at an American Leadership Conference sponsored by the American Constitution Committee.

June 4, 1998, made a presentation on "Family Involvement in Character Education" at the Fifth Conference on Character Building sponsored by the Communitarian Network in Washington, D.C. Also made the opening keynote presentation on "The Role of Men in Families" at a conference in Bethesda, MD, co-sponsored by the Family Institute of Washington, D.C. and the Family Therapy Center of Maryland.

May 29, 1998, made a presentation on "The Impact of Policy on Children and Families" at the 35<sup>th</sup> Annual Conference of the Association of Family and Conciliation Courts in Washington, D.C.

May 28, 1998, participated in a roundtable conference on "Meeting the Data Needs for Evaluating Welfare Reform" convened at the American Enterprise Institute in Washington, D.C.

May 18, 1998, gave the opening keynote address on "The Military Father" at a training conference for Navy personnel at the NAVPHIBASE Little Creek in Norfolk, VA.

May 9, 1998, made a presentation in Washington, D.C. on "Promoting Fatherhood at the State Level" at the American Leadership Conference sponsored by the American Constitution Conference.

May 6, 1998, made a keynote address on responsible fatherhood at the annual training conference of the Eastern Regional Interstate Child Support Enforcement Association in Savannah, GA.

April 28, 1998, gave a presentation on "Fathers, Marriage and Welfare Reform" at the 3<sup>rd</sup> annual regional journalists' seminar of the Board of Children, Youth and Families, National Research Council, Institute of Medicine, at Harvard University in Cambridge, MA.

April 3, 1998, made a presentation on "Head Start, Child Care and Welfare Reform" at a satellite broadcast conference sponsored by the Welfare Reform Academy, American Enterprise Institute, in Washington, D.C.

March 26, 1998, made a presentation on fatherhood promotion to the Wisconsin state legislature.

March 4, 1998, made a presentation in Charleston, GA, on "Biblical Fatherhood" at a training conference of the Southern Baptist Convention.

February 26, 1998, gave opening remarks at a press conference in Washington, D.C. announcing the introduction of "The Fathers Count Act of 1998" by Representative Clay Shaw (R-FL), chairman of the Subcommittee on Human Resources, Ways and Means Committee, U.S. House of Representatives.

February 22, 1998, presented "The Fatherhood Movement: What Governors Can Do To Help" at the winter meeting of the National Governors Association in Washington, D.C.

February 18, 1998, made a presentation on effective fathering at a Cross-Trainers meeting in Des Moines, IA.

February 17, 1998, made a presentation in Des Moines, IA, to a joint meeting of the Iowa Senate and House Committees on Human Resources, on ways states can more effectively promote responsible fatherhood.

January 16, 1998, delivered the keynote address on "The Importance of Fathers to Families" at the 14<sup>th</sup> International Conference on the Family in Orlando, FL.

January 11, 1998, gave a presentation on "The Importance of Marriage to Children, Families and Society" at the 3<sup>rd</sup> annual Awakenings conference in Sea Island, GA.

November 20, 1997, delivered a keynote address on "The Future of Family in America: Making Room For Daddy" at the inaugural conference of the Duquesne Family Institute in Pittsburgh, PA.

November 8, 1997, participated as the discussant on a panel entitled "Faithful Fathering" at the National Conference on Family Relations in Crystal City, VA. Also presented "The Importance of Fathers" at the Washington Summit '97 of the Ecumenical Coalition of Women and Society in Fairfax, VA.

November 7, 1997, made a presentation on "Fathers, Marriage and Welfare Reform" at the annual meeting of the Association for Public Policy and Management in Washington, D.C.

November 1, 1997, gave a keynote presentation on "The Importance of Being Father" at Arkansas Governor Mike Huckabee's Conference on the Family in Searcy, AK.

October 19, 1997, gave a presentation on "Men, Family and Fatherhood" at the Fourth Annual Conference of the Women's Freedom Network in Washington, D.C.

October 8, 1997, gave a keynote address on the "Status of Fatherhood in America" at Governor Romer's 1997 Colorado Summit on Fatherhood in Denver, CO.

October 7, 1997, conducted a workshop on "Fathers and Families: Concerns and Opportunities" at the Building Strong Families Conference sponsored by the Penn State College of Agricultural Sciences Cooperative Extension in Summerdale, PA.

September 30, 1997, gave a keynote address entitled, "The Importance of Being a Father," at the Governor's Summit on Fatherhood in Columbia, SC.

September 24, 1997, made a presentation entitled, "The Many Faces of Fatherhood: Challenges and Joys," at the Delaware County Conference on Fatherhood in Muncie, IN.

September 16, 1997, made a presentation on ways to promote responsible fatherhood, to Governor Paul Cellucci's Task Force on Father Absence and Family Support in Boston, MA.

September 14, 1997, made a presentation entitled, "Families of the 90's: New Roles, New Challenges, New Conflicts," at the Third International Congress on Parent Education Programs conference in Breckenridge, CO.

September 11, 1997, made a keynote address entitled, "Making Room for Daddy: Promoting Fathers and Marriage Through Welfare Reform," at the Oklahoma Child Support Enforcement's annual awards dinner in Oklahoma City, OK.

August 24 – 25, 1997, made several presentations on promoting responsible fatherhood at the National Child Support Enforcement Association's annual conference in Scottsdale, AZ.

July 19, 1997, made a presentation on "Promoting Responsible Fatherhood through Child Support Enforcement" at the Vermont Child Support Enforcement Training Conference in White River Junction, VT.

June 24, 1997, made a presentation in Washington, D.C. on "The Effects of Tax and Welfare Policies on Family Formation" at the Marriage Roundtable sponsored by the Family Impact Seminar.

June 24, 1997, made a presentation on "Cloning Technology and the Traditional Family" at the U.S. Capitol Building in Washington, D.C. at an event sponsored by the Center for Jewish and Christian Values.

June 3, 1997, presided at a press conference in Richmond, VA, highlighting the first year achievements of the Virginia Fatherhood Campaign.

May 19, 1997, provided invited testimony on the connection between fatherhood and civil society to the National Commission on Civic Renewal in Washington, D.C.

May 16 – 17, 1997, made several presentations at a fatherhood forum sponsored by the Takoma Child Guidance Clinic in Takoma, WA.

May 8, 1997, was a plenary session speaker at the Eastern Regional Interstate Child Support Enforcement Association in Buffalo, NY.

April 16, 1997 conducted a workshop entitled "Encouraging Responsible Fatherhood in America," at the Central New York State Healthy Mothers/Healthy Babies Conference in Herkimer, NY.

April 9, 1997, made a presentation entitled, "Making Room for Daddies in the Delivery of Social Services," at the Montana Youth and Families in Crisis Conference in Great Falls, MT.

March 20, 1997, made a presentation entitled, "Lessons Learned from a Pro-Family Political Party," at the World Congress on Families in Prague, The Czech Republic.

February 10, 1997, presented "The role of the federal and state government and national organizations in preventing teenage pregnancies," at the Male Involvement Roundtable meeting of the National Campaign to Prevent Teen Pregnancy in Washington, D.C.

February 3, 1997, served as plenary session panel discussant at the National Child Support Enforcement Association, national policy briefing in Washington, D.C.

January 17, 1997, lectured at Hillsdale College's Shavano Institute on National Leadership in Coronado, CA, on "The Indispensable Role of Parents."

January 5, 1997, spoke at the Awakenings '97 conference at Sea Island, GA, on fathers and welfare reform.

November 21, 1996, made a presentation at the United Way of America headquarters in Alexandria, VA, on how civic organizations can support the fatherhood movement.

November 12, 1996, presented on the topic of "The Emerging Fatherhood Movement," at the 100<sup>th</sup> anniversary conference of the Children's Home Society of West Virginia.

October 10, 1996, participated as the summary discussant for the Father Involvement Conference in Washington, D.C., sponsored by the National Institutes of Child Health and Development.

October 5, 1996, conducted several workshops on "The Emerging Fatherhood Movement: How Foundations Can Help" at the annual meeting of the Conference of Southwest Foundations, in Houston, TX.

September 24, 1996, delivered the opening keynote address at Governor Evan Bayh's Restoring Fatherhood, Renewing Families conference in Indianapolis, IN.

September 19, 1996, participated in a panel discussion on "Violence, Gender, Parenting and Politics" at the northeast regional conference of the Association of Family and Conciliation Courts, in Boston, MA.

September 9, 1996, made a keynote presentation at the Hudson Institute's "Fathers and Welfare Reform" conference in Indianapolis, IN.

July 15, 1996, made a presentation on "Reducing Violence in the Schools" to the National Governor's Associations quarterly meeting in San Juan, Puerto Rico.

June 20, 1996, delivered a keynote presentation at Governor William Weld's summit on "Father's and our Future," in Boston, MA.

May 21, 1996, presented "Linking At-Risk Fatherless Children with Responsible Adults," at the inaugural meeting of the Center for Judeo-Christian Values in Washington, D.C.

May 14, 1996, presented "Father Absence and Urban Issues," at the annual conference of the Boys and Girls Clubs of America in Las Vegas, NV.

May 10, 1996, delivered a keynote address at the annual conference of the Association of Family Conciliation Courts on "Dad's Dilemma and the Best Interests of the Child," San Antonio, TX.

May 3, 1996, presented "Effects of Welfare on the Family and Reproductive Behavior" at a conference of the National Academy of Sciences, Washington, D.C.

May 1, 1996, delivered the Keynote Address at Governor Tom Carper's annual Prayer Breakfast on "Restoring Fatherhood in America," in Dover, DE.

April 28, 1996, made a presentation at the annual meeting of the Children's Rights Council on "Politics and the Family: Federal and State Policies and Their Impact on Families," in Atlanta, GA.

April 25, 1996, conducted a workshop at the annual training conference of Catholic Charities USA on the "Outreach to Father's," in San Antonio, TX.

April 23, 1996, made a presentation on "Fathers and Their Children: Family and Economic Support Issues," at the Medill Journalism School at Northwestern University in Evanston, IL.

March 27, 1996, provided testimony at the Federal Interagency Forum on Child and Family Statistics Town Meeting on "Fathers and Male Fertility," in Washington, D.C.

March 27, 1996, presented a Heritage Foundation lecture entitled, "Fathers and Welfare Reform," in Washington, D.C.

March 7 – 8, 1996, presented a keynote address and a workshop at the Montana Families in Crisis Conference, in Great Falls, MT.

February 9, 1996, served as a discussant at a conference on planning state and local welfare strategies with the 104<sup>th</sup> Congress sponsored by Columbia University and the Carnegie Foundation in New York City.

February 7, 1996, delivered a keynote presentation at the California Police Athletic League's annual conference in Santa Barbara, CA, on the topic of promoting fatherhood in local communities.

January 26, 1996, made a presentation at the 1996 U.S. Congressional Advance in Baltimore, MD, on the topic of strengthening America's families and culture.

**17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)**

If confirmed, I will bring to this position a broad range of experiences that I believe have prepared me for this important job. I began my career as a clinical child psychologist at Michigan State University where I served as Associate Director of the MSU Psychological Clinic and implemented a clinical research program to study the efficacy of different treatment approaches for children with attention deficit disorders.

From there, I went to Children's Hospital National Medical Center in Washington, D.C. where I served as director of Outpatient Psychological Services. Several years later, I was appointed in 1989 by President George Herbert Walker Bush to serve as Commissioner of the Administration on Children, Youth and Families and Chief of the Children's Bureau at HHS. There I gained much valuable experience administering many of the programs I will be overseeing, if confirmed, as Assistant Secretary.

After leaving HHS in 1993, I helped to found the National Fatherhood Initiative, a non-partisan, non-sectarian organization whose mission is to improve the well-being of children by increasing the number of children growing up with involved, committed and responsible fathers in their lives. Since 1993, I also have been an adjunct professor at Georgetown University's Public Policy Institute where I teach courses in children's issues and public policy process.

It also has been my privilege to serve on a number of national commissions and advisory panels. From 1989-1993, I served as a presidential appointee to the National Commission on Children, ably chaired by Senator Jay Rockefeller, a member of this Committee. From 1995-1996, I served on the National Commission on Childhood Disability, from 1996-1997 on the U.S. Advisory Board on Welfare Indicators, and from 1998-1999 on the U.S. Advisory Board on Kinship Care. Currently, I serve as a member of the U.S. Advisory Committee on Head Start Research and Evaluation.

#### **B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. **Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.**  
Yes.
2. **Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.**  
No.
3. **Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.**  
No.

4. **If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.**

Yes.

**C. POTENTIAL CONFLICTS OF INTEREST**

1. **Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.**

See attached conflict of interest statement provided by the Office of Government Ethics, U.S. Department of Health and Human Services.

2. **Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

See attached conflict of interest statement provided by the Office of Government Ethics, U.S. Department of Health and Human Services.

3. **Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.**

Over the past 10 years, I have provided the following invited testimony regarding pending Congressional legislation (exclusive of when I was employed by the federal government):

October 5, 1999, provided invited expert testimony before the Human Resources Subcommittee of the Ways and Means Subcommittee, U.S. House of Representatives, concerning the "Fathers Count Act of 1999"

April 27, 1999, provided invited testimony at a hearing on ways government can help promote responsible fatherhood before the Human Resources Subcommittee of the Committee on Ways and Means, U.S. House of Representatives.

On July 30, 1998, provided invited testimony to the Human Resources Subcommittee of the Committee on Ways and Means, U.S. House of Representatives, on promising approaches to promoting fatherhood, including the Fathers Count Act of 1998.

June 9, 1998, gave invited testimony at a hearing on Head Start re-authorization before the subcommittee on Early Childhood, Youth and Families, Committee on Education and Workforce, U.S. House of Representatives.

February 23, 1998, gave invited testimony at a congressional symposium on child care and parenting sponsored by the subcommittee on Children and Families, United States Senate.

February 13, 1997, presented invited testimony to the Subcommittee on Human Resources of the Committee on Ways and Means, U.S. House of Representatives, on the subject of welfare reform.

May 23, 1996, presented testimony on the Personal Responsibility and Work Opportunity Act of 1996 before the Subcommittee on Human Resources, Committee on Ways and Means, U.S. House of Representatives.

May 23, 1996, delivered testimony before the Subcommittee on Children and Families, Committee on Labor and Human Resources, United States Senate, on promoting fatherhood through public policy.

On December 5, 1995, presented invited testimony on the Parental Rights and Responsibilities Act of 1995 to the Subcommittee on Administrative Oversight and the Courts of the Committee on the Judiciary, United States Senate.

October 26, 1995, presented invited testimony on the Parental Rights and Responsibilities Act of 1995 to the Subcommittee on the Constitution of the Committee on the Judiciary, U.S. House of Representatives.

November 9, 1995, presented invited testimony to the Committee on Government Affairs, United States Senate, on the Family Protection Act of 1995.

On February 3, 1995, presented invited testimony to the House Ways and Means Committee, Subcommittee on Human Resources and the Education and Economic Opportunities Committee, Subcommittee on Early Childhood, Youth and Families, on the topic of child welfare reform.

In addition, I write and spoken extensively on issues relevant to public policy and legislation (see items #15 and #16 above).

4. **Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)**

The activity above was in the form of invited testimony to Congress. Hence, I see no potential conflict of interest resulting from that activity. I have also signed a conflict of interest agreement prepared by the Office of Government Ethics, U.S. Department of Health and Human Services (see attached).

5. **Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.**

See attached conflict of interest statement provided by the Office of Government Ethics, U.S. Department of Health and Human Services.

6. **The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:**

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. **Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.**

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

I have been involved in the following civil actions as an expert witness:

*Lester R. Radford, Sr., and Anna C. Howard, as Co-Personal Representatives of the Estate of Lester R. Radford, Jr., and Rebecca Greenwell, as Mother and Next Friend of Infant Leslie Anne Radford Greenwell v. Midas International Corporation*

U.S. District Court  
Western District of Kentucky  
Owensboro Division

Subject: Civil case, wrongful death suit  
Consultant to attorney Charles E. Moore – settled out of court  
Contact: Charles E. Moore  
Moore, Malone & Safreed  
104 East Fourth Street  
P.O. Box 549  
Owensboro, KY 42302-0549

*Teresa G. Thompson, Administratrix of the Estate of Scott Allen Thompson, et al. v. John G. Hubbard, M.D., et al*

*Jefferson Circuit Court, Thirteenth Division*  
Subject: Civil case, wrongful death suit  
Reviewed case records and provided oral testimony on 11/16/00  
Contact: William F. McMurry  
McMurry & Talbott  
4965 U.S. Highway 42, Suite 2800  
Louisville, KY 40222

*U.S. ex rel. Graber v. City of New York, et al*  
93 Civ. 8984 (DC)  
Subject: Fraudulent state claims under Title IV-E of the Social Security Act  
Provided expert deposition on Title IV-E program  
Contact: Glenn C. Colton, Assistant United States Attorney  
U.S. Department of Justice  
Southern District of New York  
212-637-2747

Participated as an expert witness in an administrative hearing concerning a petition by Mallinckrodt Chemical, Inc., to become a generic manufacturer of methyphenidate  
Hearing was held on May 4, 1995  
Contact: JoAnne Levy, Senior Attorney  
Mallinckrodt Chemical, Inc.  
16305 Swingley Ridge Drive  
Chesterfield, MO 63017  
Phone: 314-530-2000

4. **Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.**

No.

5. **Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.**

None.

**E. TESTIFYING BEFORE CONGRESS**

1. **If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?**

Yes.

2. **If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?**

Yes.

## RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* Dr. Horn, next year we will reauthorize the landmark 1996 welfare reform law. I supported that law and I'm glad to have done so. I think we're moving in the right direction and making welfare into a real welfare-to-work program. Do you agree? What are specific ways we can keep making progress?

*Answer:* I agree that the historic welfare reform legislation passed by the Congress in 1996 and signed into law by President Clinton was a move in the right direction. Indeed, evaluations of welfare reform efforts to date have been encouraging. Caseloads are down, as is child poverty. Work effort is up, as are family earnings.

Nevertheless, much work remains to be done. We need, for example, to find ways not only to help former welfare recipients find jobs, but also aid them in developing job retention and career advancement skills. At the same time, we need to develop more effective strategies for dealing with the hard-to-employ and find ways to overcome the problem of deep poverty.

In addition, we need to build upon encouraging news concerning declining teen pregnancy rates as well as recent efforts to help non-custodial parents both pay the child support their children deserve and provide the emotional and psychological support their children need.

Finally, rather than merely accommodating to present realities, we also need to be engaged in prevention. As such, I believe we need to think creatively about finding ways to help couples form and sustain healthy marriages so that more children can grow up with the love, devotion and support of both their mom and their dad.

*Question 2:* Dr. Horn, I am concerned by what I have heard about Susan Orr, the Bush Administration's pick to run programs helping abused and neglected children at HHS. In 1999 she advocated ending requirements that professionals who work with children, such as teachers or doctors, report suspected child abuse. She also proposed narrowing what we consider to be child abuse. It seems to me that we should be doing more to prevent child abuse, not looking the other way when parents harm a child. Dr. Horn, do you agree with her controversial proposals?

*Answer:* I have known Susan Orr for nearly a decade. From 1991-1993, she served as my special assistant when I was Commissioner of the Administration on Children, Youth and Families (ACYF) within the U.S. Department of Health and Human Services. After I left ACYF in 1993, she went to work at the Children's Bureau before leaving government service several years later to pursue other career opportunities. Her background suggests that she has the knowledge and expertise necessary to serve with distinction as the Associate Commissioner of the Children's Bureau.

Nevertheless, I do not agree with everything Dr. Orr has written. In particular, I do not agree with recommendations she made in an October 1999 report entitled, "Child Protection at the Crossroads: Child Abuse, Child Protection, and Recommendations for Reform." For example, I do not agree with the recommendation she included in that report to repeal mandatory reporting laws. Mandatory reporting laws have been very effective in helping to identify abused and neglected children. Repealing mandatory reporting laws would, in my view, jeopardize our nation's ability to protect children from abuse and neglect. Indeed, in my work as a clinical child psychologist, I was a mandatory reporter of child abuse and neglect. I never felt burdened by such a requirement. To the contrary, it often proved helpful in my work with families.

Nor do I agree with recommendations contained in the aforementioned report suggesting that the federal government narrow the scope of child abuse and neglect definitions, re-criminalize child abuse and neglect, or make child and family services voluntary for those parents found to have abused or neglected their children. While I do agree that egregious cases of child abuse, and especially child sexual abuse, ought to be prosecuted through the criminal justice system, I believe the appropriate response to the most common cases of abuse and neglect is to provide the family with supportive services and interventions designed to both ensure the safety of the child and improve the parents' parenting skills. I also believe that families who have been found to have abused or neglected their children ought to be required to enter treatment as a means of helping to ensure the abusive or neglectful parenting does not recur. If that cannot be accomplished I, like Dr. Orr, believe the appropriate action is to ensure that the children are moved swiftly toward a permanency arrangement, preferably adoption.

*Questions 3:* Dr. Horn, some are concerned that your emphasis on the role of fathers in families denigrates single mothers trying to raise their children on their own. I certainly agree that it would be better if more American children were raised by married parents. But I wouldn't want steps we take to encourage marriage to result in children of single mothers being further behind in life. Your own writings

describe the challenge those children already face. Could you discuss your views of single mother families?

*Answer:* Promoting the importance of positive father involvement and encouraging the formation and stability of healthy, mutually-satisfying, equal-regard marriages should never be used to denigrate the important work that single mothers do as they endeavor to raise their children well. In my writings, I repeatedly emphasize that while the absence of a father does raise the risk of poor outcomes for children, most children in single mother households do well. Moreover, it is precisely because children living in single parent households, compared to those being reared in intact, two-parent married households, are at increased risk of poorer outcomes that we need to provide single parent families with support and encouragement as they struggle, often with great success, to overcome the unique challenges of being a single parent.

I often use the following analogy to illustrate this point. Imagine there were two airplanes en route to the same destination. If we knew one of the planes had an increased risk of crashing, would we want the air traffic controllers to pay more or less attention to that plane? The answer, of course, is more attention. The same, in my view, is true for children living in single parent households. Because we know there is an increased risk (although by no means a certainty) of poorer outcomes for children being reared in single parent families, we need to provide these families with more—not less—support in order to help their children grow up healthy, happy and secure.

*Question 4:* Some have suggested that we emphasize a goal of reducing poverty during next year's reauthorization of welfare reform. If that means we'll do more to ensure families who work aren't poor, I'll certainly consider it. We need to make work pay. That was one reason I put so much effort into making the expansion of the child credit in the tax bill refundable, to make certain that low-income working families were supported. What do you think of emphasizing poverty reduction in TANF?

*Answer:* I believe that the most important measure of success of welfare reform is not declining caseloads, but improvement in child well-being. There is ample evidence that child well-being is jeopardized by poverty. As such, poverty reduction is an important goal. I am aware that there is pending legislation in Congress that would direct the Department to include poverty reduction as a part of the TANF high performance bonus. Currently, the TANF law requires States that experience a certain level of increase in the child poverty rate to submit a corrective action plan. TANF, however, is only one vehicle for addressing poverty, albeit a very important one. If confirmed, I look forward to discussing with you and other members of Congress ways to reduce poverty both as part of the TANF reauthorization process and through other programmatic efforts with ACF.

*Question 5:* I asked Montana's TANF director for advice on next year's welfare reauthorization and he said continued funding at least the current level was critical if he was to keep making progress. Those left on the rolls are more troubled and cost more to help. If we go into a recession—which we're already too close to in Montana for comfort—then more people are likely to need assistance. What are your views about TANF funding in the future.

*Answer:* I know that States are very interested in seeing that the level of TANF funding not be reduced. Funding will be a primary concern as we work with the Congress on TANF reauthorization. Clearly, if we are to move to the next phase of welfare reform—including confronting the unique challenges faced by those left on the rolls, working to improve the job retention rates and career advancement skills of those who have left welfare for jobs, helping fathers fulfill their responsibilities to their children, and supporting the formation and stability of healthy, mutually-satisfying, equal-regard marriages—adequate funds will need to be available to support these efforts.

*Question 6:* My State of Montana is very rural. We have made tremendous progress in reforming welfare—the welfare caseload is down to half of what it was—but there's still much to do. Could you talk about what you see as the challenges of welfare reform in rural areas and how we can do better in reauthorization?

*Answer:* Rural areas face magnified concerns in areas such as childcare, transportation, and job availability. Fortunately, the flexibility in TANF allows States to address special rural issues. In addition, the Administration for Children and Families (ACF) operates a technical assistance network that provides information on promising practices, which includes information on addressing rural issues. As we move forward with TANF reauthorization, if confirmed, I will be pleased to work with you and the Congress on ideas for improving services to special populations such as those in rural areas.

*Question 7:* An issue of particular concern to me is the status of Native Americans in poverty. The 1996 welfare reform law permitted tribes to operate their own TANF programs. Do you support continuing this? Do you have additional suggestions for ways to better assist Native Americans in escaping poverty?

*Answer:* There is widespread support for tribal TANF, and many States have been collaborating well with tribal organizations that operate separate TANF programs. I don't foresee any change in this direction. However, I know that many tribal organizations are confronted with conditions that can result in widespread unemployment and deep poverty. In TANF reauthorization discussions, if confirmed, I would want to take up the unique issues associated with poverty among Native Americans and consider ways to modify the program to further assist tribal organizations in overcoming persistent poverty. If confirmed, I will be pleased to work with you and the Congress on ways to strengthen tribal TANF programs. I also will be interested in hearing from tribal organizations as to what recommendations they have for better assisting Native Americans to escape poverty.

#### RESPONSES TO QUESTIONS FROM SENATOR GRASSLEY

*Question 1:* As you well know, the Safe & Stable Families Program is up for reauthorization this year. Funded through Title 4-B of the Social Security Act, states received grants to provide family preservation and family support services to families in need. I was pleased to see two new categories for adoption support and time-limited family reunification services added to the program in 1997 with the passage of the Adoption and Safe Families Act.

I understand the importance of this program to the President, and I believe no time should be wasted in gathering stakeholders to move forward with the reauthorization process. Your leadership will be particularly useful in providing data to the Senate to ensure the best possible policy is achieved.

Can I have your commitment to work with the Senate to reauthorize the Safe & Stable Families Program?

*Answer:* As you know, the President strongly supports the reauthorization of the Promoting Safe and Stable Families Program and his FY 2002 budget has, in fact, requested a \$200 million annual increase for the program. I assure you that, if confirmed, I will be pleased to work with you and other members of the Committee to ensure the timely enactment of legislation to reauthorize the program and to increase funding for its important services to families.

*Question 2:* As you know, the passage of welfare reform in 1996 has yielded many positive outcomes. For one, millions of Americans have joined the workforce and have moved from dependence to independence. There is plenty of credit to go around, but States in particular deserve a great deal of credit for their targeted and successful efforts to transition individuals for welfare to work.

In my view, one of the reasons Congress was able to enact such sweeping reforms was because of the working relationships that were established among Congress, the States, and the Administration. In preparing for reauthorization, I am interested in replicating a process by which all of the major stakeholders work together to assess the successes and review areas of improvement. As a key leader on TANF reauthorization, can you agree to working closely with the Congress and the States as we begin to prepare for reauthorization next year? In other words, I'm really asking about "process." I'm interested in knowing what kind of process you envision.

*Answer:* I agree that the success of TANF is attributable to the positive working relationships that were established among Congress, the States and the Administration. As we move forward towards TANF reauthorization, it will be important to continue and strengthen those partnerships through a collaborative process. As such, it will be important to hear from state and national associations and organizations, current and former welfare recipients, and advocacy groups. When Secretary Thompson testified on the 2002 budget, he emphasized his desire to work with the Congress on these issues. If confirmed, I also promise to work closely, and in a bipartisan manner, with the Congress concerning the reauthorization of TANF.

#### RESPONSES TO QUESTIONS FROM SENATOR ROCKEFELLER

*Question 1:* I support President Bush's initiative to increase the funding for the Safe and Stable Families by \$200 million a year, and to reauthorize this important program to promote adoptions, reunify families, and invest in protecting and supporting families. How can we work together on this initiative?

*Answer:* I am pleased to know of your support for the President's proposals to reauthorize and increase funding for the Promoting Safe and Stable Families program, which as you note, provides important services to protect children and strengthen families. I assure you that, if confirmed, I will be pleased to work with

you and other members of the Committee to ensure the timely enactment of legislation to reauthorize the program and to increase funding for its important services to families.

*Question 2:* During the debate on ASFA and since then we all have heard a lot about the challenges substance abuse is creating for individual families and the child welfare system overall. ASFA required a comprehensive study of the issue of substance abuse among families known to the child welfare system. Based on that HHS report, Senator Snowe and I developed the Children Protection and Alcohol and Drug Partnership Act (S. 484). It would require child protection and substance abuse agencies to join forces to ensure that the timeliness for decision-making in ASFA are effective for these families. Our bill is cosponsored by Breaux, Collins DeWine, Dodd, Graham, Jeffords Kerry, Landrieu, and Lincoln. What do you think are some of the most effective approaches for getting appropriate help to these families so that prompt decisions about permanence can be made?

*Answer:* I certainly share your concern about meeting the needs of families in the child welfare system through effective substance abuse treatment. As we all know, substance abuse is a critical issue for many, if not most, of the families involved in the child welfare system, and is a particularly challenging issue when trying to address children's needs for timely permanency decisions. As we look at the reauthorization of the Promoting Safe and Stable Families program, it will be important to consider how these services are meeting the needs of families with substance abuse problems. One of the most effective approaches for getting appropriate help to these families is coordination. As such, it will be important to continue to strengthen collaboration between child welfare and substance abuse treatment programs, both at the Federal and State levels, to ensure that the needs of this population are met. The Department recently submitted a Report to Congress on this issue. I look forward to reviewing this report and, if confirmed, working with you on this important issue.

*Question 3:* The President has asked Secretary Thompson to conduct a state-by-state inventory of the substance abuse treatment needs and its capacity in this country. We hope you will work to ensure that this specific population of families with substance abuse problems that come to the attention of the child welfare system be a part of this analysis and included in any effort to close the treatment gap. What plans do you have for this type of an initiative?

*Answer:* If confirmed, I look forward to learning more about this activity and will work with the Secretary and others in the Department to ensure that the needs of families in the child welfare system are considered as part of this initiative.

*Question 4:* What is the plan of the Administration to thoroughly implement the new Child and Family Service Review process? What kind of help can states expect from the federal government if they are not able to pass these initial reviews?

*Answer:* It is my understanding that the Administration intends to continue to implement the Child and Family Services Reviews. The effort to plan these reviews was a bipartisan one and the feedback I hear from the States is that the process effectively identifies the strengths of state child welfare systems as well as identifying areas that need improvement. This process, which looks at outcomes, is infinitely superior to the older system that only looked at process.

States unable to pass the initial review will receive technical assistance from ACF regional office staff that participated in the review as well as from the appropriate Child Welfare Resource Centers funded by the Children's Bureau. The assistance will address such areas as the development of a Program Improvement Plan, the improvement of data reporting, and efforts to improve the outcomes and indicators related to safety, permanency and child well-being.

*Question 5:* On January 23, 2001, the Administration on Children, Youth and Families (ACYF) announced a policy change that seems to impede the adoption of children with special needs by significantly limiting the ability of faith-based and community-based organizations to facilitate these adoptions.

Prior to January 23, 2001, Title IV-E Adoption Assistance Payments were available to parents adopting children with special needs who met certain criteria, regardless of whether the children were placed by private agencies or were adopted out of state foster care systems. The revised ACYF policy, however, draws a distinction between children with special needs who are adopted out of the state foster care system, and those adopted from private adoption agencies. As a result of this change, if a special needs child is voluntarily surrendered to a private agency, rather than to the state, and the private agency is able to find a loving, adoptive family, the adoptive family will not be eligible for Adoption Assistance Payments.

In announcing the policy change, ACYF stated that the prior policy needed to be revised in order to bring it into compliance with the relevant statute. However, the relevant statute—Section 473(a)(2)(A)(i) of the Social Security Act—does not distin-

guish between special needs children who are adopted through private agencies and those adopted from public agencies. Since there was no amendment of the statute to trigger the policy change, it is not clear why ACYF felt the need to revise a policy that had been working well (and presumably was deemed to be in compliance with the statute) for more than a decade.

It seems to me that the Administration should review and consider this policy [ACYF-CB-PA-01-01] because promoting adoptions of special needs children and working with faith-based organizations are a priority. Will you review this policy?

*Answer:* I am committed to promoting the adoption of children, especially those with special needs, who need the permanency of a loving adoptive home. I also am committed to treating public and private adoption agencies, including faith-based organizations, equitably, to the maximum extent allowable under the law. As you know, the title IV-E adoption subsidy was created to support the adoption of children in foster care with special needs by providing financial and medical assistance to the families who adopt them. You have my commitment that, if confirmed, I will review the recent policy issuance expeditiously to ensure that it conforms to the law and will work with your office to consider any changes that may be needed to ensure that there are no unnecessary barriers to promoting the adoption of children with special needs.

*Question 6:* When a child is abused, or neglected, and reunification efforts have not been successful, the parental rights of the abusing parents are terminated and many of these children go on to adoption. Yet, under current law, only those abuse children whose biological parents were poor enough to meet the now obsolete 1996 AFDC standards are eligible to receive federal adoption assistance. For years I have introduced bipartisan legislation known as Adoption Equality Act, to rectify this inequity. I plan to reintroduce this bill, and in 1997 a similar provision passed the Senate by unanimous consent. My goal is to ensure that all special needs children who have been abused or neglected can be eligible for federal adoption assistance regardless of the income level of their biological parents. Adoption and permanence for children is the central goal of the Adoption and Safe Families Act. I have long been concerned that current eligibility rules for the federal adoption assistance program allow help only for AFDC-eligible children, even though their parental rights have been terminated. This seems to be not only inequitable but also a serious disincentive to adoption. My Adoption Equality Act would extend eligibility for federal adoption assistance to all children with special needs who are adopted. Can we work together on ways to encourage adoption assistance?

*Answer:* As you know, I am a strong advocate for adoption. I appreciate and share your concern about abused and neglected children who cannot be safely returned to their homes. Every effort must be made to ensure that these children, and especially special needs children, are adopted into loving, permanent homes. Identifying and removing the barriers and disincentives to adoption is important to the Administration and me. If confirmed, I look forward to working with you to find ways to provide adoption assistance for children who cannot be returned to their homes.

*Question 7:* Last year a Congressionally mandated bi-partisan commission of business leaders, federal state and local human services representatives, and children's advocates sent a report to the Department of Labor and HHS recommending that a number of steps be taken to improve the likelihood that children raised in single-parent families would have access to health insurance. A number of their recommendations involved federal legislative change. This is an important system to provide health care coverage to children. I would like a full report of the actions taken to date to implement the administrative and best practice recommended by the commission, as well as plans for the future. I want to work with you close on implementing the legislative recommendation for this commission.

*Answer:* I look forward to reading the report and considering the recommendations to address the issue of improving access to health insurance for children being reared in single-parent families. I can assure you that, if confirmed, I will provide the update you request on the status of implementing the administrative recommendations.

*Question 8:* Some of your previous writings about social policy suggest that you believe married couples should get a priority for Federal programs and services over single mothers. This is troubling to me because single mothers often have a greater need for services and support. Could you clarify your views on this issue.

*Answer:* As I noted during the confirmation hearing, in 1997 I co-authored a report for the Hudson Institute entitled, "Fathers, Marriage and Welfare Reform." One of the twenty recommendations included in that report suggested that states consider privileging marriage in the distribution of certain limited supply welfare benefits. The intent of that report was to "kick-start" a conversation about how

states might best fulfill one of the stated purposes of welfare reform—to support the formation and stability of two-parent, married households.

Since the publication of that report, I have thoughtfully considered critics of this particular recommendation, and have since concluded that this idea is neither viable nor helpful. Rather, I now believe the best way to fulfill this purpose of welfare reform is through front-end efforts, most notably helping couples who choose marriage for themselves develop the skills necessary to form and sustain healthy, mutually-satisfying, equal-regard marriages. One such strategy is helping low-income couples contemplating marriage access premarital education. Indeed, research indicates that couples who undergo premarital education are better able to form and sustain healthy marriages and are less likely to divorce. Pre-marital education also helps to divert some couples away from marriage, including those couples in which domestic violence is present, and in so doing prevent a bad marriage from forming in the first place.

*Question 9:* What are your views on domestic violence, and what do you believe the Federal government should do to help abused persons?

*Answer:* As I have written on numerous occasions, wherever and whenever domestic violence occurs, it is an unacceptable tragedy. Fortunately, the vast majority of married couples never experience domestic violence. But when they do, the violence scars not only the abused spouse, but also the children who witness it. As such, I have consistently advocated a zero tolerance policy towards domestic violence. Being married to, cohabiting with, or dating someone does not give anyone the license to assault the other.

When domestic violence does occur, two things should happen. First, the victim of domestic violence must be made safe. This includes providing the victim with safe shelter and the support services needed to overcome the physical and psychological scars that result from having been victimized. Second, the victimizer needs to enter treatment and be prosecuted to the fullest extent of the law. I am consistent in my belief that the solution to domestic violence is not just a trip to family court, but to criminal court as well. Domestic violence is a crime, and it should be treated as such.

The role of the federal government in this area is to make it clear that domestic violence is unacceptable, and to fund programs and services to prevent domestic violence and intervene in cases where domestic violence has already occurred.

*Question 10:* I am working with a bipartisan coalition on the Strengthening Working Families Act, (S. 685). It has many key initiatives for families. How can we work with you on this legislation?

*Answer:* I understand there are a number of proposals in the bill that are similar to proposals in the President's FY 2002 budget, including proposals for funding of community-based fatherhood initiatives, increased funding for the Safe and Stable Families program, and funding for training for older children aging out of the foster care system. In addition, S.685 contains several suggested revisions to the child support program. If confirmed, I look forward to working with you and other members of the Congress on these areas of mutual interest.

#### RESPONSE TO A QUESTION FROM SENATOR BINGAMAN

*Question 1:* Under the initial welfare reform legislation in 1996, many States would have received fewer Federal TANF funds than others. There would be a great disparity in the per child funding between States. In recognition of this problem, an amendment was added to provide supplemental funds to 17 states. This legislation is due to expire in fiscal year 2002. Legislation has been introduced to extend it, until the large bill is reauthorized next year. Congress has included this extension in the Budget Resolution. Will you support the legislation authorizing the extension of these supplemental funds and work with us to ensure greater equity in TANF funding during the reauthorization process?

*Answer:* I am aware of the importance of TANF supplemental grants in helping many states move toward parity in terms of federal spending on welfare programs. It is my understanding that the President's 2002 budget did not provide for extension of the TANF Supplemental Grants, which expired in 2001 under the TANF law. It is my understanding that the Administration took this action in light of the overall departmental budget and with the intention of taking up the issue of TANF funding as a whole during reauthorization. If confirmed, I look forward to working with you within that context to find ways to provide States with federal funds for welfare reform efforts on an equitable basis.

## RESPONSES TO QUESTIONS FROM SENATOR GRAHAM

*Question 1:* Mr. Horn when welfare was reformed in 1996, given its size and the number of low income families, Florida received substantially fewer Federal TANF dollars than the majority of other States, including Maryland (where you reside) and Secretary Thompson's home State of Wisconsin.

To put this into very concrete terms, Florida received \$839 per poor child in fiscal year 2002 in its basic TANF grant, while Wisconsin received \$1940. In other words, Florida received less than one-half of the Federal dollars that the State of Wisconsin received per poor child.

In recognition of this disparity, a compromise amendment in 1996 provided additional funds to 17 States like mine—including Texas, New Mexico, Mississippi, Montana, and Alaska to name a few—so we would get a bit closer to parity in terms of resources available to States to reform welfare. Including the supplemental grant, Florida received \$930 per poor child in 2000.

In spite of the fact that we had significantly fewer resources to provide employment training and critical work supports such as child care subsidies, the expectations for what my State could accomplish under welfare reform were not different from the expectations for Wisconsin.

The supplemental grants are due to expire in fiscal year 2002, which means some States may have to reduce spending on program to help people move from welfare to work.

Congress has shown its support for this extension by including it in the Budget Resolution passed by Congress.

Mr. Horn, would you work with us to ensure the extension of these supplemental grants for 2002? A one-year extension would allow us to reexamine this equity issue along with others when TANF is reauthorized in 2002.

*Answer:* I am aware of the importance of TANF supplemental grants in helping many states move toward parity in terms of federal spending on welfare programs. It is my understanding that the President's 2002 budget did not provide for extension of the TANF Supplemental Grants, which expired in 2001 under the TANF law. It is my understanding that the Administration took this action in light of the overall departmental budget and with the intention of taking up the issue of TANF funding as a whole during reauthorization. If confirmed, I look forward to working with you within that context to find ways to provide States with federal funds for welfare reform efforts on an equitable basis.

*Question 2:* The 107th Congress will be faced with the task of reauthorizing the 1996 welfare reform law. We are aware of the innovative work that you have done to help non-custodial fathers to become better parents and we applaud your efforts. In fact, the Senate New Democrats have introduced the "*Strengthening Working Families Act*," which includes provisions focused on fatherhood and child support initiatives and the restoration of the Social Services block grant. We hope that you will work with us to ensure passage of this legislation this year.

Looking towards the future, we all know that welfare reform has had some impressive initial successes. However, though caseloads have dropped dramatically, there is a great deal left to be done to ensure that people keep their jobs and move up the employment ladder.

For example, one of the biggest problems facing America's working families today is the cost and scarcity of high-quality child care. In a 1997 Heritage Foundation lecture, your new boss, then-Governor Tommy Thompson was quoted as saying:

"The solution (to moving families from welfare to work) was developing meaningful programs that could support (families) in their struggle for independence—program such as child care, health care, job search assistance, and transportation."

Many of us here would agree with this statement and believe that the Federal government and the States have an obligation to provide these very important, admittedly expensive, supports to families moving from welfare to work and those who are working with the hopes of moving up the employment ladder.

As we look toward reauthorizing the TANF program in 2002, the Administrator of ACF will have to carefully consider how to ensure the program's continuing success.

As Administrator, will you work to support policies including maintaining the basic \$16 billion in annual TANF funding for another six years, FY 2003–2008?

Will you work with Congress to ensure that ALL States have the support to provide current and former TANF recipients with tools such as health care, child care and transportation vouchers to ensure that their transition to work is a permanent one?

*Answer:* If confirmed, I am committed to ensuring that the TANF reauthorization process fully considers all of the important supportive services that families need to transition from welfare to work. I am eager to be involved with all relevant partners in shaping TANF for the future. I know that the States are very interested in not having the current level of TANF funding reduced. As such, funding will be a primary concern as we work with the Congress on TANF reauthorization. I know that child care, transportation, and health care are key supports for helping families move from welfare to work and make sustained progress towards self-sufficiency. There are many good ideas about all facets of the program that should be considered in reauthorization, including those of Secretary Thompson, who was in the vanguard of welfare reform. I know that the stakes are high in ensuring that the reauthorized TANF is prepared to meet evolving challenges that face low-income families.

*Question 3:* For the past few years I, along with Senators Grassley, Jeffords, Rockefeller and many of our colleagues in the Senate and House have been fight to restore the draconian cuts that were made to the Social Services Block Grant in 1998.

This year a bipartisan group of Senators worked to include a one-year restoration of SSBG into the Senate budget resolution (the language fell out in conference).

You are well aware of the fact that Title XX funds support needed services for children and families in crisis. The block grant has also been one of the only funding sources available for community-based services for elderly and disabled persons. It is also an important source of funding for fighting child abuse and neglect. Finally, SSBG is a flexible funding source that allows states and local communities to apply the funds to those most in need in their areas.

If efforts are not made to restore these necessary social service dollars, vulnerable children, families, elderly, and disable persons will be without the services they need to live independently.

I believe that cutting funding for services that keep people in their communities and out of expensive institutions such as hospitals and nursing homes is short sighted and has and will continue to lead to unnecessary suffering as well as increased spending in other federal programs.

Mr. Horn, can we have your commitment that you will support full funding of SSBG at the \$2.38 billion level, as agreed upon in the 1996 welfare law and will you insist upon its inclusion in the Administration's budget for fiscal year 2002? Further, will you support efforts to bring SSBG back to \$2.8 billion in FY 2003 and beyond, as mandated in the 1996 welfare bill?

*Answer:* I agree that the Social Services Block Grant (SSBG) is an important source of flexible funding for States. Funds made available through the SSBG allow states to target resources to areas of greatest need and to fill in service gaps that may exist as a result of categorical funding programs. Hence, I look forward to working with you, if confirmed, to determine how we might best support the SSBG within the larger context of the Administration's commitment to strengthen services to our Nation's children and families.

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PREPARED STATEMENT OF ALLEN F. JOHNSON

Chairman Baucus, Senator Grassley, and Members of the Committee,

I would like to thank you for making time during this busy period in the United States Senate to hold this confirmation hearing. I am honored and greatly appreciative of the President's nomination to this position. As you know, the President has placed a high priority on trade and has emphasized that agricultural trade liberalization is a top priority.

If confirmed, I look forward to working with this committee and the other committees in the House and Senate in addressing the many challenges and opportunities facing our producers, agri-businesses and food companies. I recognize the need to work very closely with both sides of the aisle in carrying out my responsibilities.

Throughout my career, starting in Iowa and continuing to today, I have been fortunate to have many experiences working with a wide variety of agricultural interests both in government and in the private sector, domestically and internationally. As an agricultural and trade assistant to Senator Grassley during the 1980s, I had the unique learning experience watching how the Senator was able to reach across the aisle and develop common objectives with people and groups that on the surface would appear to be very different. As the CEO of both farmer organizations, in the Iowa Soybean Association and Iowa Soybean Promotion Board, and an industry organization, National Oilseed Processors Association, I have been able to experience the challenges of many parts of the U.S. food chain. In addition, I have been blessed by the opportunity to coordinate and co-chair several agricultural trade coalitions

that have provided me a broader view U.S. agriculture. Finally, I have worked on the ground internationally and been involved in international organizations that have provided practical experience that can now be put to work finding practical solutions to the issues in front of us.

Trade is critical to U.S. agriculture. The simple facts of U.S. agriculture are that one out of three acres are exported, we increase our productivity every year, and domestic consumption is relatively flat. The simple fact of world trade is that 96% of the world's population is outside our borders. This population will grow much faster than the population in the U.S., and each of those people, as their economic environment improves, will increase their per capita consumption of food more rapidly than in the U.S. We will need to marry these domestic and world trade facts into one coherent policy if we are to take advantage of the enormous opportunities worldwide and build a bright future for U.S. agriculture.

U.S. agriculture is two and one-half times more reliant on trade than the general economy. Bulk commodities such as corn, soybeans, rice, cotton, and wheat rely on overseas markets for 30–45% of their total sales. Many high-value products also depend on overseas markets for consuming over 25% of their domestic production. Since 1991 my home state of Iowa has relied on exports for 27% to 37% of its farm cash receipts.

Yet the barriers to trade worldwide are significant with agricultural tariff bindings averaging over 60%, with some as high as 300%, while the U.S. agricultural tariffs are 12%. By comparison, average non-agricultural tariffs worldwide are about 4%. In addition, our industries must compete for these markets against EU export subsidies that are 50 times higher than the U.S.

Another simple fact is that others are moving forward without the U.S. There are over 130 preferential trade agreements in the world today, and the U.S. is a party to only two. Out of the more than 30 reciprocal trade agreements in this hemisphere, the U.S. has participated in one.

As these agreements are negotiated without us, our competitors create preferential treatment and establish standards that put U.S. agricultural exporters at a disadvantage. If this trend continues, we will find ourselves irretrievably in the back seat while others in the world drive the agenda. Meaningful liberalization in agricultural and food trade will not take place on its own. It must be achieved in the World Trade Organization, the Free Trade Area of the Americas, and bilateral negotiations. The Administration will need to work closely with our trading partners, the Congress, and industry if this is to occur. Our joint message to the world must be that the U.S. is ready to lead, and the most critical part of that message is the Congress granting the President Trade Promotion Authority as soon as possible this year.

Another important part of our successful team are the committed career professionals at USTR, USDA and the other agencies that work with agriculture. Knowing the quality of people that I would be working with made the decision to accept this important responsibility much easier. This position must serve an important coordinating role in bringing together the best assets and talents from other agencies to focus on agricultural trade policies and related issues.

In the coming years, I intend to dedicate myself to helping the world feed itself more efficiently and more effectively through the negotiation, implementation, monitoring and enforcement of agricultural trade agreements. We will not unilaterally disarm and will negotiate tough to level the playing field in order to create an environment where our farmers and businesses can compete.

Mr. Chairman, thank you again for this opportunity to testify before the Senate Finance Committee today.

## Senate Finance Committee

## Statement of Information Requested of Nominee

## A. Biographical Information

1. Name: Allen Fredrick Johnson
2. Position to which nominated: Chief Agriculture Negotiator in the Office of the United States Trade Representative
3. Date of nomination: \_\_\_\_\_
4. Address:  
Home: 1448 Woodacre Drive, McLean, Virginia 22101  
Office: 1255 23<sup>rd</sup> Street, NW, Washington, DC 20037
5. Date and place of birth: January 11, 1960 in Davenport, Iowa
6. Marital status: Married to Sandra Elizabeth Palomo Johnson (maiden name Palomo)
7. Names and ages of children: Andrew (12), Alexandra (9) and Allen Sebastian (6)
8. Education:

<u>Institution</u>	<u>Dates attended</u>	<u>Degree and date</u>
North Scott High School	8/74-6/78	HS Diploma, 6/78
George Mason University	9/79-5/83	BS, 5/83
Stanford School of Business	9/91-5/93	MBA, 5/93
Stanford Food Research Institute	9/91-5/93	MA, 5/93
9. Employment Record:

<u>Employer</u>	<u>Position</u>	<u>Location</u>	<u>Dates</u>
Senator Roger Jepsen	Asst/Field Dir	DC/Iowa	7/83-11/84
Independent Consulting	Fundraiser	Virginia	1/85-4/85
Senator Charles Grassley	Leg. Asst.	DC	4/85-4/87
Hauck & Assoc/NOPA	EVP	DC	4/87-8/88
Iowa Soybean Assn/ISPB	Exec. Dir.	Iowa	8/88-8/91
Marakon Associates	Consultant	California	7/93-4/95
Hauck & Assoc/ACCCI	President	DC	4/95-6/98
Hauck & Assoc/NOPA	EVP & Pres	DC	4/95-present

10. Government Experience:  
 In addition, to those listed above also served:  
 Intern/campaign worker for Congressman Jim Leach  
 Agricultural Trade Advisory Committee for USDA and USTR
11. Business relationships:  
 Hauck & Associates      EVP/partner    Divested 11/00
12. Memberships: According to my best records I have been a member of the following organizations:
- Current member of many industry, agriculture and trade associations including: National Association of Manufacturers Association Council; American Society of Association Executives; U.S. Chamber of Commerce; Iowa Soybean Association; American Feed Industry Association; The Food Group; International Food Information Council; American Oil Chemists' Society
- Current Agriculture Trade Activities:
- Member, Agriculture Trade Advisory Committee (ATAC). Appointed by the Secretary of Agriculture and U.S. Trade Representative to advise USDA and USTR on trade policy.
  - Co-Chairman with the American Farm Bureau Federation, Seattle Round Agriculture Committee (SRAC). Over 105 commodity and general farm organizations, agribusiness organizations and companies representing 96% of the GDP of U.S. agriculture have signed the SRAC WTO Policy Statement outlining broad WTO objectives.
  - Co-Coordinator with the American Soybean Association and Executive Committee member, American Oilseed Coalition (AOC). Commodity and processor groups from the soybean, sunflower, canola and cottonseed industries focus on trade and domestic agricultural policies.
  - Council and President's Advisory Committee member, International Association of Seed Crushers (IASC). Representatives from every major oilseed and products exporting country in the world. Also coordinate the International Oilseed Processors Level Playing Field (LPF) Coalition. Actively deliberate on trade policies and practices in many areas including China and the WTO.
  - Member, Agriculture Coalition for U.S.-China Trade. Over 80 commodity and general farm organizations, agribusiness organizations and companies that support China's Accession to the WTO and Most Favored Nation status.
  - Steering Committee, Coalition for a Competitive Food and Agricultural System (CCFAS). 125 agribusiness associations and companies that support pro-market agricultural policies.

- Steering Committee, Corn, Soybean and Cotton Biotechnology Committee (CSC Committee). Commodity and processor organizations in these sectors work together on common biotechnology objectives in CODEX, WTO, Bio Safety Protocol and other areas.
- Steering Committee, Agriculture Biotechnology Planning Committee (ABPC). Members are leaders in the biotechnology industry interested in the trade and regulation of biotechnology products.
  - Steering Committee, Alliance for Better Food. Various food chain members from input suppliers to food retailers serve on this GMA committee.
  - Member and former Steering Committee member, Agriculture Biotechnology Forum (ABF). Over 80 commodity and general farm organizations, agribusiness organizations and companies interested in the regulation and trade of products produced from biotechnology.
  - Member, Agriculture Trade Coalition (ATC). Over 80 commodity and general farm organizations, agribusiness organizations and companies supporting pro-trade activities such as granting the President Trade Promotion Authority (TPA).

Also member of: Foundation for the Center for the Defense of the Constitution (a bipartisan pro-democratic organization founded in Guatemala), Stanford Business School Alumni Association, the Catholic Church, Langley Swim and Tennis Club, and McLean Racquet & Health Club.

Past involvement in:

American Coke and Coal Chemical Institute, President (1995-1998)  
 Trees Forever (in Iowa), Board of Directors (1998-1999)  
 Coached soccer teams.  
 Eichler Swimming and Tennis Club, past member (1994-1995)

While in Iowa was a member of many industry, agriculture and trade associations including: Iowa and American Society of Association Executives; International Traders of Iowa; Greater Des Moines Chamber of Commerce; American Farm Bureau Federation; American Soybean Association; National Corn Growers Association; National Pork Producers Association; Iowa Friends of Agriculture; Iowa Agricultural Trade Center Advisory Committee; Iowa Beef, Corn, Pork and Soybean Group, 1989-90 chairman; and the Iowa Public Policy Educational Project-1990 Farm Bill Focus Group.

While at Stanford School of Business was involved in several student organizations including: Investment Club; Latin America Business Club; Challenge for Charity.

13. Political affiliations and activities:
- a. List all public offices for which you have been a candidate:  
None
  - b. List all memberships and offices held in and services rendered to all political parties or election committees the last 10 years:  
Victory 2000 Finance Committee Leadership  
George Allen's Million Dollar Club  
Santa Clara County Republican Central Committee (California)
  - c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years:  
RNC Victory 2000 (\$1000 in 2000)  
Bush-Cheney Recount Fund (\$200 in 2000)  
Friends of George Allen (\$1000 in 2000)  
Friends of Dick Lugar (\$1000 in 2000, \$200 in 1998)  
Latham for Congress Committee (\$500 in 2000, \$250 in 1998)  
Whitney Adams (\$200 in 1999)  
Records regarding political contributions prior to 1998 have been lost due to computer failure. Believe contributions were made to several Congressional and local races in California, Virginia, and Iowa, including contributions to Senator Grassley's re-election campaign.
14. Honors and Awards:  
Certificate in Public Management Stanford Graduate School of Business  
Friends of the Drake University Agricultural Law Center Award  
Certificate of Appreciation George Mason University Alumni Association  
Who's Who Among Students in American Universities and Colleges  
Outstanding Young Men of America  
Beta Epsilon Phi, Business Honor Society  
Also several awards and recognitions for service and academics while attending college.
15. Published writings:  
None
16. Speeches:  
Have made many speeches to agricultural groups in the past few years regarding trade and agricultural policy issues. Speeches are generally from outlines (which have not been saved). Attached are some examples.

## 17. Qualifications:

Committed to serving the President and agriculture to the best of my ability in this position. For the past several years I have worked closely with the agricultural community, the Administration and Congress to move trade liberalization forward. As a leader in several agricultural trade coalitions, I understand the difficulty of the issues facing the US agriculture and food industries and am committed to working creatively with leaders in the US and our trading partners in solving these problems. Having worked in agriculture most of my life, I have a broad and deep understanding of the many challenges and opportunities that will need to be addressed to expand markets for US producers, agribusiness and food companies.

I look forward to putting my understanding of the inter relationships between the Hill and Administration, between government and the private sector, and between the US and our trading partners to work for our country. I have built a strong working relationship with all these parties.

I have hands on business experience, including working on the ground internationally. My negotiating experience covers business-to-business, government-to-business and government-to-government, including on the Hill as an agricultural and trade assistant to Senator Grassley. I understand the interrelationship between domestic policies and international trade, and the need for science based regulations in animal and plant health, food safety and new technologies, including biotechnology.

As an experienced team builder, I am confident that we can build a strong team that can meet that challenges that face us and create real opportunities and expand markets for US agricultural and food products.

## B. Future Employment Relationships

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate?  
All except those outlined on the SF 278 form.
2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government?  
No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service?  
No.
4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?  
Yes.

C. Potential Conflicts of Interest

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.  
None other than those identified in the Ethics Undertaking Letter.
2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated?  
Other than past employment by the National Oilseed Processors Association (NOPA) and Hauck & Associates, which are addressed in the Ethics Undertaking Letter, do not believe conflicts exist.
3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.  
As President of NOPA, a leader in many agricultural trade coalitions, and a member of the Agriculture Trade Advisory Committee (ATAC), I have been actively engaged in many issues that directly impact the oilseed industry and agriculture in general. These issues include but are not limited to: Permanent Normal Trade Relations for China, Fast Track (i.e., Trade Promotion Authority), farm policy, food aide, and WTO, FTAA, APEC and bilateral negotiations.
4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.  
Not aware of any conflicts other than those that will be identified in the Ethics Undertaking Letter. If others are identified, will work with the appropriate OGE and USTR officials to ensure it is dealt with appropriately.

5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.  
Included with the materials for this questionnaire.
6. Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter?  
No.

D. Legal and Other Matters

1. Have you ever been subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group?  
No.
2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county, or municipal law, regulation, or ordinance, other than a minor traffic offense?  
No.
3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation?  
Yes. 4/99 in Fairfax County, Virginia. Johnson vs. Window Company of America. It was a breach of contract dispute related to difficulties with the contractor who built our home. We were the plaintiff and won the case.
4. Have you ever been convicted of any criminal violation other than a minor traffic offense?  
No.
5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.  
Between this and the other forms that have been submitted, I believe all the relevant issues have been addressed.

E. Testifying before Congress

1. If you are confirmed by the Senate are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?  
Yes.
2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?  
Yes.

## RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* As you know, Montana is highly reliant on exports of wheat and beef to the Pacific Rim. I have heard reports that the Chinese are stockpiling their wheat supplies and may not meet import expectations touted as a result of the ag agreement. In fact, since the agreement was signed, only 10 small shipments have made it to Chinese ports. And further, there still seems to be some hesitation about the importation of pacific Northwest wheat even though the TCK ban has theoretically been dropped. How will you work to ensure that China opens its market not only Montana wheat but other agricultural commodities, such as soybeans, citrus and meat products?

*Answer:* While China's initial implementation of the bilateral agreement was uneven, importation of U.S. citrus and meat into China has been smooth in recent months. China continues to be one of the largest importers for U.S. poultry, and its imports of U.S. beef and pork are increasing. China published revised poultry import regulations on February 14 to address concerns expressed by USTR late last year over an earlier draft of the regulations.

U.S. exports of citrus to China have increased and are experiencing very few problems at port. In addition, Chinese quarantine officials visited the United States in April to inspect citrus producing regions, and are now considering adding additional counties to the U.S. export protocol.

China removed its nearly 30-year ban on imports of wheat and other grains from the PNW, as agreed bilaterally in April 1999. However, I know that a few shipments of barley and wheat have experienced problems on entry. This may not be a central government policy, but rather the failure of quarantine officials to implement the agreement correctly. I will ensure that USTR continues to put significant effort into getting the affected shipments cleared and will continue to press the Chinese until we are satisfied that confidence of U.S. exporters and Chinese importers is restored to the point where they are willing to do business.

U.S. farmers and ranchers also will benefit from China's accession to the World Trade Organization. USDA estimates that U.S. exports of agricultural goods to China will increase by \$2 billion annually by 2005. This increase will derive from the commitments China made to: reduce tariffs; create substantial tariff-rate quotas for bulk commodities; eliminate export subsidies; adhere to the WTO SPS agreement; and liberalize trading rights and distribution services.

Although significant work remains to be done multilaterally on China's accession, the agreement USTR reached in Shanghai earlier this month and the one the EU concluded with China last week in Brussels should get this process moving. While it is possible for the Working Party to finish its work by the end of this year, when China actually becomes a member depends on China and how quickly they are willing to move.

*Question 2:* Recently, the WTO Appellate Body held that a safeguard measure put in place to stave off injury to our lamb meat industry was inconsistent with WTO rules. I find this decision very troubling and hope that, if confirmed, you will work hard to defend the safeguard measure. What steps do you foresee taking towards that end?

*Answer:* On June 14, 2001, the United States filed a letter with the WTO Dispute Settlement Body (DSB) announcing U.S. intentions on implementing the DSB's rulings and recommendations arising from the Appellate Body's report. The letter stated that we intend to implement the WTO recommendations in a manner that respects U.S. WTO obligations, that we have begun to evaluate options for doing so, and that we will need a reasonable period of time to do this. Our letter reflects standard procedure at this stage in a dispute.

The Administration is assessing the best course of action. As preliminary steps in that process, we intend to consult with the U.S. industry, as well as Australia and New Zealand, the two countries that export lamb to the United States. Our next steps on this issue will depend in part on the outcome of our discussions with the domestic industry and foreign suppliers.

*Question 3:* While Canada is a significant trading partner, in terms of ag products, it is often our greatest headache. On the other hand, the cattle industry is beginning to have success with its Northwest Pilot Project (sending cattle north to Alberta to feed and then back south to slaughter). Wheat imports, however, continue to be an issue. As you know, the USTR initiated an investigation into the predatory pricing practices of the Canadian Wheat Board in third country markets. The results of the study are due in late October; however, I would suggest that a more successful resolution of the matter, would be to continue negotiations regarding transparency and eventual elimination of the Canadian Wheat Board.

What are your plans to ameliorate cross-border trade relations particularly in the ag sector?

*Answer:* The 1998 Record of Understanding on Agricultural Trade has resulted in meaningful progress to resolving many trade irritants between the United States and Canada. The Northwest Cattle Project that you mention is one significant example. The ROU established a U.S./Canada Consultative Committee on Agriculture chaired by USTR and USDA. I plan to encourage this Committee to resolve issues before they become problems which will help promote a positive and constructive relationship between our two countries.

I fully support the U.S. proposal to reform state trading enterprises in the WTO agriculture negotiations. The proposal calls for ending the exclusive export rights of single desk exporters, like the Canadian Wheat Board, as well as transparency of costs, pricing and sales information, and elimination of government funds or guarantees to ensure financial viability of single desk exporters.

In addition, USTR is now conducting an investigation under section 301, with which the International Trade Commission is assisting in certain data collection. I hope the investigation will provide information that will be useful in our ongoing efforts to address our concerns with the Canadian Wheat Board.

*Question 4:* The peace clause of the Uruguay Round is set to expire at the same time as the US Farm Bill. Clearly Congress will find itself trying to balance a sound domestic ag policy (including price supports) at the same time we are negotiating the dramatic reduction/elimination of such supports with global trading partners/competitors such as the EU. How will you reconcile both policy changes and can you assure me that you will consult closely with the Congress and the USDA as we move forward in the next round of Ag talks?

*Answer:* The peace clause provision of the Uruguay Round Agreement of Agriculture is set to expire on December 31, 2003. The current provisions of the U.S. farm bill are in effect until the end of FY 2002, or September 30, 2002. I would expect that a new farm bill will be in place before the peace clause expires, which will help to guide our negotiating strategy in the WTO talks. Some countries view the expiration of the peace clause as a leverage point to bring countries with high domestic support and export subsidy levels, such as the EU, to the negotiating table and ensure that progress is made in the agricultural negotiations. This strategy is based on the assumption that the EU's subsidy programs will be highly vulnerable to challenge once the peace clause protection expires. I will work closely with Congress and USDA to take these policy considerations into account as we develop our negotiating position in the WTO.

*Question 5:* Leverage—I ask this question of every ag negotiator. We need something more than our existing trade laws or the carte blanche give-away (unilateral reduction) of our tariffs to move the EU to reduce its export subsidies. The value of U.S. ag exports dropped \$10 billion since 1996 and has remained at a fairly stagnant \$50 billion since then. America needs an aggressive ag negotiator who will promote our products abroad, defend our antidumping/surge policies, and not hesitate to use tools such as the Export Enhance Program (EEP) when our markets are threatened. What expertise can you bring to this job that will significantly boost U.S. ag interests overseas?

*Answer:* Throughout my career, starting in Iowa and continuing to today, I have been fortunate to have many experiences working with a wide variety of agricultural interests both in government and in the private sector, domestically and internationally. As an agricultural and trade assistant to Senator Grassley during the 1980s, I had the unique learning experience watching how the Senator was able to reach across the aisle and develop common objectives with people and groups that on the surface would appear to be very different. As the CEO of both farmer organizations, the Iowa Soybean Association and Iowa Soybean Promotion Board, and an industry organization, National Oilseed Processors Association, I have been able to experience the challenges of many parts of the U.S. food chain. In addition, I have been blessed by the opportunity to coordinate and co-chair several agricultural trade coalitions that have provided me a broader view U.S. agriculture. Finally, I have worked on the ground internationally and been involved in international organizations that have provided practical experience that can now be put to work finding practical solutions to the issues in front of us.

In the WTO agriculture negotiations, I intend to keep the pressure on other countries by making ambitious proposals for global trade policy reform. A key element will be to build reform coalitions that will bring countries to the table and isolate some of the policies of Japan and Europe. Highlighting market-distorting policies and explaining the economic benefits for reform also will be of critical importance. A broad reform package will assist all countries in identifying the pay-off of concluding the negotiations. We must maintain our options to use all the tools at our

disposal to increase pressure on other countries for multilateral reform, such as dispute settlement, and bilateral and regional trade negotiations. Finally, we must build a bridge to the other countries that have an interest in reform. For example, we all know the Cairns Group of countries and many other developing countries are eager to see tariffs and subsidies reduced in developed countries. We have to let them know that this will only happen if we see improved access to their markets and in other countries. The European Union too has an interest in using a WTO agreement on agriculture to help smooth the way for CAP reform and EU enlargement. WTO negotiations allow us to help shape the changes in our interest.

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PREPARED STATEMENT OF KEVIN W. KEANE

Chairman Baucus, Senator Grassley, distinguished members of the committee, it is an honor to come before the Senate Finance Committee. I sincerely appreciate your consideration of my nomination.

Please allow me to begin by introducing my wife, Christine. Everyone tells me I will have a tough job out here, but Chris has certainly had the tougher job. While I've been here the past four months, she's been back in Sun Prairie, Wisconsin, caring for our three children, Brendan, Patrick and Maggie. She's been taking care of their schooling, a first communion, the soccer practices, the school trips, the doctor's appointments and the fears of moving. On top of that, she had to get the house ready for sale by herself, go through the entire sale process alone and do the packing and moving by herself. She's an amazing woman, and there's no way I would be before you today if God hadn't blessed me with the good fortune of meeting her. Of course, she's probably thinking she should have run the other way when she had the chance.

I would also like to introduce my parents, Bill and Mary Keane, who come here today from Geneva, Illinois, outside Chicago. A guy couldn't ask for two better parents. They've taught me well, supported my endeavors and given me a strong set of values to guide me through life. I thank them for all they have done for me.

Finally, I would like to thank President Bush and Secretary Thompson for their confidence in nominating me to this position. It's a great honor and an even greater responsibility, and if confirmed, I certainly don't plan to let either of them down.

Mr. Chairman, I humbly come before you today seeking Senate confirmation for my nomination as Assistant Secretary for Public Affairs at the Department of Health and Human Services. If confirmed to this position, I would oversee an immediate staff of 35 employees in a public affairs office charged with communicating and marketing HHS programs and initiatives. I would also functionally manage public affairs offices in each of the department's agencies as well as coordinate outreach to the groups and constituents the department serves. During the past four months, I have come to realize I would have the good fortune of working with the most dedicated and professional public servants in the department.

Secretary Thompson calls the Department of Health and Human Services the "Department of Compassion." We are all being given a remarkable opportunity to help people—whether it be with greater access to health care, safer foods and consumer products, or new medicines that wipe away our most hideous diseases.

The Secretary plans to aggressively take advantage of this opportunity. He's instilling a can-do attitude for finding ways to better help and serve the people of America. He wants to solve problems with common sense solutions. What excites me is that there is no better place to be for such a mission than in the Office of Public Affairs. We're in the center of the action.

The Secretary is setting high expectations for himself and his department to get things done. And he's instilled in his staff a strong ethic for working hard and delivering results. He's also passed on to us advice from his father, who often told him: "You have two ears and one mouth, use them in that proportion and you'll do just fine."

So to members of this committee, the Senate and the Congress, if I am confirmed and there is ever anything that I can do to be helpful to you or your staffs, please let me know. I'm all ears. And working together, our department will deliver results.

In closing, it is truly an honor to be nominated for this position and testify before this committee. It is not often one gets the chance to serve his president and this is an opportunity I don't take lightly.

We came here to make a difference. I would greatly appreciate the opportunity to work with this dedicated committee to do just that, if you see fit to confirm my nomination.

Thank you for your time and consideration.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

1. Name: (Include any former names used.)  
**Kevin W. Keane**
2. Position to which nominated:  
**Assistant Secretary for Public Affairs**
3. Date of nomination:  
**April 30, 2001**
4. Address: (List current residence, office, and mailing addresses.)  
**Home: 901 Bruce St., Sun Prairie, WI 53590**  
**Temporary: Residence Inn, 1199 Vermont Ave., Washington, D.C., 20005**  
**Office: HHS, 200 Independence Ave., SW, Room 638E, Washington, 20201**
5. Date and place of birth:  
**October 19, 1965**  
**Chicago, Ill.**
6. Marital status: (Include maiden name of wife or husband's name.)  
**Married to Christine M. Keane, maiden name of Smith**
7. Names and ages of children:  
**Brendan, 8**  
**Patrick, 6**  
**Maggie, 4**
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)
  - **University of Wisconsin-Eau Claire, 1983-1987, bachelor of arts degree received in December 1987**
  - **Catholic Memorial High School, Waukesha, WI, 1979-1983, high school diploma received in May 1983**

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)
- **Department of Health and Human Services, consultant, Washington, D.C., March 2001-present**
  - **Third Wave Technologies, consultant, Madison, WI, Feb. 19-28, 2001**
  - **Office of Governor Tommy G. Thompson, executive assistant (deputy chief of staff), Madison, WI, February 1994-February 2001.**
  - **Thomson Newspapers, correspondent, Washington, D.C., January 1992-February 1994**
  - **Waukesha Freeman, reporter/assistant city editor, Waukesha, WI, February 1990-January 1992**
  - **Fond du Lac Reporter, reporter, Fond du Lac, WI, March 1988-February 1990.**
10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)
- Wisconsin Educational Communications Board, May 1998 to present. (Will be resigning from this board.)**
11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)
- **Third Wave Technologies, consultant, February 19-28, 2001**
  - **Wisconsin Educational Communications Board, board member, May 1998 to present**
12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)
- None**
13. Political affiliations and activities:
- a. List all public offices for which you have been a candidate.  
**None**
  - b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.
    - **Wisconsin for Bush Campaign, 2000, general campaign work**
    - **Republican Platform Committee, 2000, lead staffer to Gov. Thompson who was chairman of the committee**

- Thompson for Wisconsin Campaign, 1994 and 1998, communications director in 1998, general campaign work in 1994
  - Thompson for Wisconsin Committee, 1994-present, assist with committee activities as needed
  - Wisconsin for Dole Campaign, 1996, general campaign work
  - Republican Party of Wisconsin, 1994 to present, member
  - Republican Party of Dane County, 1994 to present, member
  - National Republican Party, 1994 to present, member
- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.
- Thompson for Wisconsin, \$500, 9/28/94
  - Thompson for Wisconsin, \$300, 3/24/97
14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)
- Paul Miller Fellowship, Freedom Forum, Washington reporting
  - Wisconsin Newspaper Association, various awards for news reporting, 1988-1990
  - Outstanding Journalism Graduate, UW-Eau Claire, 1987
15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)
- Attached are several letters to the editor written while working for Gov. Thompson
  - As a newspaper reporter for nearly seven years, I have thousands of articles published that are not easily available. Not sure if this material is what the question intends to obtain.
16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)  
**Did not prepare any formal speeches for myself. Worked off talking points and background materials.**
17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)  
**For the past seven years, I have served Gov. Tommy G. Thompson as a senior advisor, mostly on communications and public affairs matters. This included work in policy and message development as well as**

communicating with diverse groups from the media to lawmakers to individual citizens. My experience spans work on both state and federal issues with state and federal constituencies and media. I believe this broad experience with senior leadership responsibilities prepares me well for the substantial challenge of serving as Assistant Secretary for Public Affairs. With the Governor, I gained personnel management experience as well. Most recently, as executive assistant, which is the No. 2 staff position behind chief of staff, I managed the communications, federal relations, appointments, and constituent relations teams. My previous experience as a reporter, including time as a reporter in Washington covering the White House, Congress and the federal agencies, also helped to prepare me for this position. It would be an honor to serve the President, Secretary Thompson and the public in this role if I am fortunate enough to be confirmed by the Senate.

#### **B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.  
**My present employer is the Department of Health and Human Services, which, if confirmed, I would continue to serve. All of my previous employers and business relationships have been severed.**
2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.  
**No**
3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.  
**No**
4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.  
**Yes**

#### **C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

**I do not believe any of my financial holdings present a conflict of interest, although they have been listed on my ethics forms and this form and have been reviewed by the Office of Government Ethics. I have agreed that if any potential conflicts arise, I will not involve myself in those issues.**

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.  
**The HHS Ethics Officer determined and forwarded in a letter to the chairman and ranking minority member of this committee that there is "no unresolvable conflict of interest, legal barrier, or ethical impediment" to my service at HHS. To use his terminology, I have a "covered relationship" with the State of Wisconsin and Third Wave Technologies which requires me to consider the need to recuse myself from matters involving these two parties for the period of one year after my leaving their employment. This is detailed in the ethics letters prepared for the Office of Government Ethics and forwarded to this committee.**
3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.  
**As Executive Assistant to Gov. Thompson, I often worked with legislators on passage of legislation, including the biennial state budget, as well as the confirmation of gubernatorial appointees.**
4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)  
**I will work very closely with this committee, the Office of Government Ethics and the Ethics Office at HHS to resolve any potential conflicts of interest that may arise. I will take the necessary steps to make sure there is no conflict of interest in my service at HHS.**
5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.  
**The Ethics Office here has told me that copies are being forwarded directly to you, but I also included copies of my copy if that is helpful to the committee.**

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**N/A**

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.  
**No**
2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.  
**No**
3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.  
**No**
4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.  
**No**
5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?  
**Yes**
2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?  
**Yes**

RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* Do you believe that this new media campaign will be sufficient for beneficiaries to make informed choices about their health plans? Will the campaign provide comparable plan information, as current law requires?

*Answer:* As you know, this education campaign was just recently announced by Secretary Thompson and we are in the very early planning stages for this effort. The intention and goal of the education campaign is very straightforward—to use the enrollment period as an opportunity to more effectively educate beneficiaries about their health plan options and how each option might affect them. The reason for this campaign is that, as a department, we don't believe beneficiaries currently have enough easy-to-understand information about the health plans available to

them so that they can make informed decisions about what plan will best serve their needs. Too many beneficiaries are confused about the system and their options. We want to eliminate the confusion.

*Our hope is that this campaign will go a long way toward being sufficient for beneficiaries to make informed choices about their health plans. But we know we must also reach out to them in other ways, including making sure they have access to individuals at CMS who can talk them through any questions and concerns.* This is why extending the toll-free number to 24 hours, seven days a week will be a very important component to our education efforts. The department also intends to pursue training librarians on how to walk seniors through their health plan options. This will allow seniors to go to their local library, log onto *www.medicare.gov*—the CMS website—find information on their options, and make sure they fully understand their options. Librarians can be effective partners in helping to educate seniors on this subject.

This initiative falls right in line with the Secretary's goal to make the Centers for Medicare & Medicaid Services more consumer-service oriented. The Secretary wants to better serve Medicare beneficiaries and an effective way to do that is by educating them about their health plan options.

As for the second part of your questions, *the campaign absolutely will provide comparable plan information, as current law requires.* The campaign most definitely will not steer consumers toward one choice or another, or favor one health plan over another. The goal of the education campaign is to fully inform beneficiaries as to their choices so they can make an informed decision.

*Question 2:* Since the Administration has not requested a supplemental appropriation, what programs are you cutting in order to fund the \$35 million media campaign.

*Answer:* The education campaign will be internally funded through savings from staff vacancies, new efficiencies in operations and resources already geared toward education and information. *No existing programs will be cut.* CMS is reallocating its budget to reflect the shift in its priorities by being more responsive to the people it serves, primarily beneficiaries. It is also my understanding that Administrator Scully intends to meet further with you, your committee and others interested in this question to outline how CMS plans to fund this worthwhile campaign.

I hope these answers are sufficient to your questions. If I can be of further help on these questions or as the campaign is launched, please let me know.

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PREPARED STATEMENT OF WILLIAM H. LASH, III

Chairman Baucus, Ranking Member Grassley, I am honored and humbled to come before you as President Bush's nominee for Assistant Secretary of Commerce for Market Access and Compliance. I know the committee has a hectic schedule this week, and I appreciate the opportunity to appear before you today.

I would like to thank President Bush and Secretary Evans for their confidence and their support of my nomination, and, if confirmed, look forward to working on their trade agenda. I know that many of the members of this committee have worked with Under Secretary Aldonas, and I look forward to working with and learning from him. I am very excited about working with the team Secretary Evans and Under Secretary Aldonas have assembled for the International Trade Administration, including Faryar Shirzad as Assistant Secretary of Import Administration, Maria Cino as Assistant Secretary for the Commercial Service, and Linda Conlon, who was recently nominated to be Assistant Secretary for Trade Development.

This hearing room is a long way from the streets of my youth in Jersey City, New Jersey. They say when you see a turtle in a tree, you do not know how he got there but you can be sure he had help. I would like to thank the people who have helped me in my American journey. My mother Vivian Lash who instilled a sense of confidence, values, love and who stressed the importance of education in the difficult surroundings of the inner city; the nuns at Sacred Heart School in Jersey City who would never accepted anything but my best; and Justice Alan Handler, of the New Jersey Supreme Court who taught me that both sides should be always be heard in a quest for justice. But most importantly, I would like to thank my wife Sharon Zackula, and my son Will for reminding me everyday what is most important life.

Although I am a law professor by profession, I have served as a lawyer for and corporate director of several companies. Indeed, my first assignment after graduation from law school was assisting a U.S. firm exporting into Europe. As a corporate director, the firms I have served have all grown by exports. Indeed, one of these firms is totally dependent on exports and on the ability to invest in foreign markets. I have witnessed first hand the challenges of small and medium-sized exporters and

am particularly sensitive to the impact foreign trade barriers have on U.S. exporters and investors.

As I have met with several members of the Committee and their staffs over the past few weeks, it has become clear the important role Market Access and Compliance plays in Administration trade issues. The one thing everyone I talked with has agreed upon is the critical role compliance plays in establishing domestic support for trade liberalization. Last year, the Congress fully funded MAC's compliance initiative, and, if confirmed, I plan to full implement that plan, including the initiatives on China compliance.

Given the international tariff and non-tariff barriers that continue to limit U.S. exporters, the President has correctly identified expanded trade, and re-establishing Presidential Trade Promotion Authority, as a priority. Future trade agreements and trade liberalization can only be successfully addressed by cooperation and communication with Congress. If I am fortunate enough to be confirmed by the Senate, I look forward to working with you and your staffs to ensure that American businesses, workers and farmers get the full benefits of current and future trade agreements. I look forward to regular consultation and communications with this committee, as the Administration and Congress must agree and move forward in concert on any trade liberalization efforts.

I know that, in particular, Congressional assistance, guidance and input are crucial for the success of MAC. If I am fortunate enough to be confirmed as Assistant Secretary, I will look to Congress for advice and guidance in implementing the President's trade agenda. It cannot be disputed that we must enforce the international trade agreements we have entered into. We have entered into these deals and we are entitled to receive the benefits of these bargains.

If confirmed, I will work with the trade professionals of MAC to identify and investigate trade violations and build unassailable factual records in support of our claims and support the U.S. position. In February, Secretary Evans asked each member of Congress to identify one member of their staff as a liaison with the Department on trade compliance issues of their constituents. They will work closely with Congress and our counterparts in the Department of Commerce, the office of the United States Trade Representative, the Department of Agriculture and other U.S. government agencies to ensure U.S. companies receive the full benefits of our trade agreements.

Again, thank you for your time. I would be pleased to answer your questions.

WILLIAM HENRY LASH, III SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names used.) William H. Lash, III
2. Position to which nominated: Assistant Secretary of Commerce for Market Access and Compliance.
3. Date of nomination: May 8, 2001
4. Address: (List current residence, office, and mailing addresses.) Home: 2300 Meridian Street, Falls Church, Virginia, 22201. Office: 3401 North Fairfax Drive, Arlington, Virginia, 22201. Mailing Address: 2300 Meridian Street, Falls Church, Virginia, 22201.
5. Date and place of birth: January 21, 1961. Jersey City, New Jersey.
6. Marital status: (Include maiden name of wife or husband's name.) Married. Sharon Kay Zackula.
7. Names and ages of children: William H. Lash, IV.
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.) Rahway High School, Rahway, New Jersey, 9/75-6/78. Yale University, New Haven, CT. 9/78-6/82. B.A. Harvard Law School, 8/82-6/85. J.D.
9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)  
**Professor of Law, George Mason University School of Law, Arlington, Virginia. July 1, 1997 to present.**  
**Associate Dean, Director, Law and Economics Center, George Mason University School of Law. June 1, 1996- July 31, 1997.**  
**Associate Professor of Law, George Mason University School of Law, Arlington, Virginia, July 1994 to June 1997.**  
**Assistant Professor of Law, Saint Louis University, St. Louis, Missouri. July 1990 to June 1994.**

Assistant Professor of Law, Western New England College School of Law, Springfield, Massachusetts. August 1989 to July, 1990.

Associate, Fried, Frank, Harris, Shriver & Jacobson, Washington, D.C. August 1988 to August 1989, and September 1986 to February 1988. Senior Associate in the Litigation Department of a 118 lawyer office specializing in complex Commercial and Securities litigation. Member of the firm's Recruitment and Hiring Committee.

Counsel to the Hon. Susan W. Liebeler, Chairman of the United States International Trade Commission. February 1988 to August 1988. My duties included advising the Chairman on varied and complex international trade investigations, rulemaking, and other legal and administrative matters.

Law Clerk to the Hon. Alan B. Handler, Associate Justice of the Supreme Court of New Jersey. September 1985 to August 1986.

10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.) Missouri Securities Advisory Commission, 6/91-7/94. Virginia Commission on Environmental Stewardship, 1996.

11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.) Criterion Economics, Consultant. Carlton Maritime Fund, Board of Advisors. PG&E Energy Trading, Consultant. APCO, Consultant. Bork & Associates, Consultant. George Mason University, Professor. Citizens for a Sound Economy, Consultant. Western Fuels Association, Consultant. Business Civil Liberties, Inc. Consultant. Center for the Study of American Business, Distinguished Senior Fellow.

12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.) International Law Students Association, Treasurer, Board of Directors. Federalist Society, Vice Chairman, Financial Institutions Practice Group, American Bar Association, Editorial Board, Business Law Today. Washington Legal Foundation, Member Board of Advisors. Committee for a Constructive Tomorrow, Board of Scientific and Academic Advisors. Cato Institute, Center for Trade Policy Studies, Board of Advisors. Citizens for a Sound Economy, Adjunct Fellow. Center for the Study of American Business, Distinguished Senior Fellow.

## 13. Political affiliations and activities:

a. List all public offices for which you have been a candidate. NONE

b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years. Member Jim Gilmore for Governor, Northern Virginia Public Policy Committee, 1997.

c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

George Bush for President, \$1,000, 2000  
 George Allen for \$1,500 2000,  
 National Republican Senate Committee, \$1,000 2000

1. 14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.) George Mason University Law School, Professor of the Year 2000. Saint Louis University Law School, Professor of the Year, 1992, 1994. Scribes, Legal Writing Society. Who's Who in America. Who's Who in the World. Who's Who in American Law.

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.) **Law Review and Magazine Articles, Monographs, Books and Book Chapters:**

**The Limited (But Important) Role of the WTO, CATO Journal 2000.**

**The Kyoto Treaty: Legal and Economic Flaws, Society, May-June 2000.**

**The WTO: An Exercise or Surrender of U.S. Sovereignty, Cato Institute, May 2000.**

**Restless in Seattle: Labor, the Environment, and the WTO, Center for the Study of American Business, Washington University, St. Louis, Mo., November 1999.**

**DOJ's Use of RICO in Tobacco Suit is Wrong, Legal Opinion Letter, Washington Legal Foundation, October 1, 1999.**

**A Current View of Kyoto: Economics, Law and Policy Center for the Study of American Business, Washington University, St. Louis, Mo., August 1999.**

The Flaws of Voluntary Early Action, Mining Voice, July-August 1999.

The Economic Damage of Unilateral Trade Sanctions, published in Collateral Damage: The Economic Cost of U.S. Foreign Policy, Cato Institute 1999.

Kyoto Climate Treaty Advocates Act to Circumvent Senate Approval, Washington Legal Foundation, April 1999.

State and Local Trade Sanctions: A Threat to U.S. Interests, USA Today Magazine, November 1998.

Expanding the Terrorist Threat: Internet and the EPA Right to Know Program Washington Legal Foundation, October 1998.

"Understanding U.S. International Trade Regulation," published by the American Enterprise Institute Press, 1998.

Giving Away the Store: The Flaws in EPAs Expanded Right to Know Program, Center for the Study of American Business, August 1998.

State and Local Trade Sanctions: A Threat to U.S. Interests, Center for the Study of American Business, July 1998.

The Free Economy and the Free Society, published in Law and Society, Center for Economic and Policy Education, 1998.

Litigating Securities, Society, Volume 34, No. 6, September-October 1997.

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16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.) Led a discussion on International Trade Policy at the Congressional Chief of Staffs' Retreat sponsored by the Mercatus Institute, Charlottesville, Virginia, January 26, 2001.

Presented U.S.- Caribbean: Trade and Investment Opportunities, before the AALS Minority Law Professors People of Color Conference, San Juan, Puerto Rico, April 14, 2000.

Presented a seminar for Congressional staffs on International Trade Law and Economics at the Capitol Hill Campus of the Mercatus Institute, Washington, D.C., March 6, 2000.

Presented a seminar for Congressional staffs on The Economics Of Trade and Globalization, Capitol Hill Campus of the Mercatus Institute, Washington, D.C., February 24- 25, 2000.

Presented The Role of the World Trade Organization at the conference Seattle and Beyond: The Future of the WTO, the Cato Institute, Washington, D.C., November 17, 1999.

Presented Restless in Seattle: The Future of the WTO before congressional chiefs of staff, sponsored by the Mercatus Institute, Washington, D.C. October 22, 1999.

Testified before the United States Senate, Committee on Finance on United States Trade Policy in the Era of Globalization: Labor and Environmental Issues, January 28, 1999.

Participated in a panel discussion International Monetary Policy: The Asian Crisis and Beyond, Federalist Society Annual Convention, Washington, D.C., November 12, 1998.

Presented The Legal and Economic Problems of State and Local Trade Sanctions at the Media Briefing of the Washington Legal Foundation, Washington, D.C., September 29, 1998.

Presented Economic Costs of Unilateral Trade Sanctions before the Cato Institute, Washington, D.C., June 23, 1998

Presented testimony before the United States House of Representatives, Committee on International Relations, Subcommittee on International Economic Policy and Trade on The World Trade Organization Dispute Settlement Body: Friend or Foe? Can the U.S. Accept Foreign Arbitration, March 25, 1998.

Participated in debate on Asian economic crises, Winter Retreat of Congressional Chiefs of Staff, sponsored by Center for Market Processes, Baltimore, Maryland, January 24, 1998.

I presented The Free Economy and the Free Society at the Civitas Clergy Business Dialogue on Economics and Policy, sponsored by the Center for Economic and Policy Education, Saint Vincent College, Latrobe, Pennsylvania, September 10, 1997.

Moderator and discussant International Trade Policy: Achieving Growth and Principles, Summer Retreat of Congressional Chiefs of

Staff, July 20, 1997, Williamsburg, Virginia. Sponsored by the Center for Market Processes.

Debate on United States-China Trade Policy, before Congressional staffs, sponsored by the Center for Market Processes, Washington, D.C., June 6, 1997.

Testified before United States Senate, Committee on Governmental Affairs, Subcommittee on Government Management, Restructuring and the District of Columbia, on Reorganization of the United States Department of Commerce, March 20, 1997.

Presented The New Terms of Trade before the Center for the Study of American Business, Washington University, St. Louis, Mo. February 26, 1997.

Presented "The Case Against EximBank" before the National Foreign Trade Council, Washington, D.C., June 12, 1996.

Presented "The Decline of the Nation-State: Impact on International Trade Law and Investment," Cardozo Law School, New York, N.Y., March 11, 1996.

Presented "Economics and International Lawyering" at the Mid-Atlantic People of Color Legal Scholarship Conference, Howard University School of Law, February 17, 1996. I have enclosed two copies of formal speeches. I typically speak from notes.

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.) I have been a student and teacher of international trade law for the past fifteen years. During this period, I have monitored and studied major international trade laws, bilateral and multilateral agreements. My areas of research include trends in market access problems and international trade disputes. I have studied the economics as well as the law of international trade.

#### B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details. YES.
2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details. NO.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details. I am negotiating an academic leave of absence from George Mason University.
4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain. YES.
- C. POTENTIAL CONFLICTS OF INTEREST**
1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. My wife is employed by the NASDR, National Association of Securities Dealers-Regulation.
2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated. I have worked as a consultant for Western Fuels Association, advising them on coal and climate change issues.
3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed. I have worked for Western Fuels association on coal and climate change issues. I have advised Americans for Economic growth, Alliance for Fair Energy Competition to oppose the regulation of propane in the EPA risk management plan program. I have worked for Business Civil Liberties Inc. to oppose the Department of Justice Tobacco Litigation.
4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.) I have resigned from all consulting relationships and will not work on any matter involving George Mason University or the NASD directly. I will recuse myself from any decision directly impacting Western Fuels or the coal industry.
5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position. These forms will be provided by the relevant ethics offices.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details. NO.
2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details. NO.
3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details. I was the petitioner in a divorce, Washington, D.C. 1990.
4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details. NO.
5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. NONE.

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? YES
2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees? YES.

## RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* In your oral remarks, you stated, in substance, that your views about Section 301 of the Trade act, "Super 301," and other market-opening tools in U.S. law have evolved in recent years, and that your more recent writing reflect support for an aggressive approach to opening foreign markets. Please identify the writing to which you were alluding?

*Answer:* I recognize the importance of trade retaliation in international trade negotiation. In my more recent writings, I observe the importance of trade retaliation. In an article, "The Limited but Important Role of the WTO" 19 *Cato Journal* Number 3, I recognize the importance of trade sanctions.

*Question 2:* You have made some critical statements concerning the Section 301 and Super 301 provisions for U.S. trade law. You have stated that it is "questionable whether Section 301 is a proper tool of trade policy." [*U.S. International Trade Regulation* at 117 (1998).] You have described as "understandable" Japan's complaints that Super 301 was "smokescreen by the U.S. to shift blame for the trade imbalance onto Japanese practices instead of U.S. domestic problems." [ . . . In *Our Stars: The Failure of American Trade Policy*, 18 *North Carolina Journal of International Law & Commercial Regulation* 1, 22 (1991).] Yet you have been nominated to head an agency whose stated mission is "to achieve full compliance by foreign nations with trade agreements they sign with our country." In my view, achieving full compliance sometimes means that the United States has to exert pressure on foreign countries. The United States must not refrain from using all of the tools at its disposal, including sanctions in appropriate cases. How do you reconcile your stated views with the mission of the agency you have been named to head?

*Answer:* I believe that Section 301 is a valid and valuable tool in trade policy and market access negotiations. My views on this topic have been influenced by my own recent experiences in attempting to export into foreign markets as a consultant and corporate director. Additionally, after speaking with several successful exporters at small and medium enterprises, I have learned that we cannot rely on the WTO or other institutions when pursuing market access and compliance. I understand the significant differences between academic theory and business and political reality.

I fully embrace the stated mission of MAC "to achieve full compliance by foreign nations with trade agreements they sign with our country." The Senator is correct in his view that achieving full compliance sometimes means that the United States has to exert pressure on foreign countries. If I am fortunate enough to be confirmed by the Senate, I will support the use of every tool at the disposal of the federal government, including sanctions. If confirmed I will communicate regularly with Congress and seek Congressional guidance in market access and compliance issues.

*Question 3:* In your 1998 monograph, *U.S. International Trade Regulation*, you state [p. 117], "section 301 shifts the burden of our economy's problems and it blatantly protectionist; this violates the spirit of the GATT," You go on to state [p. 117], "It is questionable whether section 301 is a proper tool of trade policy." As head of MAC, how would you deal with a U.S. business that ought to use 301 to obtain access to a market that could not be opened through action short of a 301 petition?

*Answer:* If I am fortunate enough to be confirmed by the Senate, I will work with the trade professionals at MAC and our counterparts in the Department of Commerce and the United States Trade Representatives to investigate trade violations and build unassailable factual records in support of our Section 301 investigations and support the use of Section 301 by the United States.

*Question 4:* You have written, "If the U.S. is to remain a valid partner in the multilateral trading system. Section 301 should be abandoned. . . ." [*In Our Stars* at 27.] Section 301 is still in the books. Does this mean that the United States is not a valid partner in the multilateral trading system? Do you still advocate repeal of section 301?

*Answer:* The United States is a valid and leading partner in the multilateral trading system. I do not advocate repeal or amendment of Section 301.

*Question 5:* You have referred in your writings to "U.S. culpability for the trade deficit." [*In Our Stars* at 25.] Are you still of the view that the United States is 'culpable' for its trade deficit? In particular, its bilateral deficits with Japan? China? To what degree, if any, do you view foreign market access barriers as contributing to those bilateral deficits?

*Answer:* I am not of the view that the United States is culpable for its trade deficit. Foreign market access barriers, tariff and non-tariff barriers contribute to the trade deficit. For example, Asia represents 33% of U.S. trade yet accounts for 86% of our trade deficit. Half of this amount is from the trade deficit with Japan. Foreign trade barriers, including foreign nation's failure to de regulate their economies, are clearly a factor in the trade deficit.

*Question 6:* You have written that “Super 301 violates the spirit of the GATT and is blatantly protectionist.” [*Sanctions World Undermine Free Trade*, St. Louis Post Dispatch at 11B (Mar. 15, 1994).] Do you support the abolition of Super 301? Wouldn’t you agree that, as head of MA, having Super 301 as a tool would strengthen your ability to assist U.S. companies? Please explain your response.

*Answer:* The Super 301 Act I wrote of was passed in 1988 and expired in 1994. It was re-instituted by the prior Administration in 1994 for a two year period, and extended in 1995 for two more years (to 1996 and 1997). In April 1999, it was again re-instituted by Executive Order for the years 1999–2001. It expired with the submission of a report to Congress at the end of April 2001.

Section 301 is a valid and valuable tool in trade negotiations. If Congress were to pass a new Super 301 Act, if confirmed as Assistant Secretary of MAC, I would utilize all the tools at the disposal of the federal government.

*Question 7:* You have written that “(a)n antitrust action against (*keiretsu*) firms would be an action against Japanese corporate suture and would weaken an already stained relationship with a close trading partner.” (*U.S. Should Import Antitrust Ideas*. The San Francisco Chronicle at A21 (Mar. 9, 1992).) As head of MAC, would you refrain from assisting a U.S. company challenge foreign anti-competitive conduct on the grounds that it might offend the “corporate culture” of the country? Please explain your response.

*Answer:* If I am fortunate enough to be confirmed by the Senate, I would never refrain from fighting for and serving any U.S. firm in their challenge of foreign anti-competitive conduct on the grounds that it might offend the corporate culture of the country. There is no legal or statutory basis for refraining from attacking the anti-competitive conduct of a foreign country or its corporate system. If I am confirmed by the Senate, offending the corporate culture of our trading partners will never be a factor I consider when representing American businesses.

The article in question concerned applying United States antitrust laws to the extraterritorial activities of Japanese *keiretsu* system in 1992. This plan was not supported by then USTR Carla Hills or former USTR Clayton Yeutter. This article expressed my belief that the most effective way of addressing some of the challenges presented by the Japanese *keiretsu* system would be to allow U.S. firms to enter into more joint ventures and cooperative research and development operation, similar to the *keiretsu*. In the article, I quote then TRW chairman Joseph T. Gorman and business scholars at the University of Michigan Office for the Study of Automotive Transportation who expressed support for more *keiretsu* like cooperation by American firms to compete with Japanese firms.

The article also expresses strong support for the National Cooperative Research Act Extension, passed by the Senate in February 1992. This bill was designed to promote international joint ventures and industrial cooperation by American firms and exempts certain industrial combinations from prosecution under U.S. antitrust law. The article also praises industrial cooperation like Sematech, the government sponsored computer chip consortium. Increased cooperation by the U.S. auto makers in developing electric car batteries was also lauded.

I recognize the anti-competitive effects of the *keiretsu* system. In 1994, I testified as an expert witness against the *keiretsu* system in an employment case in California Superior Court.

*Question 8:* You have decried the use of trade remedy laws against respondents in developing countries. (*In Our Stars* at 37.) Is it your view that MAC should take a different approach to opening markets in developing countries than in other countries? If yes, would you use a different standard for developing countries that are WTO members and have passed the time for phase-in of obligations under agreements such as the Agreement on Trade-Related Aspects of Intellectual Property Rights?

*Answer:* I am not of the view that MAC should take a different approach to opening markets in developing countries than in other countries. Congress has not established statutory authority for taking different approaches to opening markets in developing countries as opposed to other countries. If I am fortunate enough to be confirmed by the Senate, I would never take nor advocate such an approach.

*Question 9:* You have stated that U.S. foreign policy goals should be taken into account in deciding dumping cases. (*In Our Stars* at 46.) Do you also advocate taking foreign policy goals into account in deciding how to help U.S. companies gain access to foreign markets? Is it appropriate for MAC to take foreign policy goals into account in deciding how to assist U.S. companies?

*Answer:* I do not advocate taking foreign policy goals into account in deciding how to help U.S. companies gain access to foreign markets. It is not appropriate for MAC to take foreign policy goals into account in deciding how to assist U.S. companies.

I also believe that foreign policy goals also should not be taken into account in the administration of our unfair trade laws, including our Antidumping laws.

*Question 10:* In a 1992 article, you state, "(T)he information gathering process for the National Trade Estimate (NTE) reports is clumsy at best." (*In Our Stars* at 14.) As head of MAC, what would you propose doing to improve the gathering of information for the NTE?

*Answer:* There have been a great strides made in gathering information regarding foreign trade barriers since the article I wrote in 1992. The Trade Compliance Center was established in 1996, giving U.S. firms an easy and cost effective tool in notifying the Department of compliance and market access issues. The Trade Compliance Center actively searches for instances in which foreign countries are not living up to their trade obligations.

The Trade Compliance Center has established a Compliance Liaison Program, a public/private partnership of 71 trade associations, 8 labor associations and 156 District Export Councils to facilitate communication and prompt action on compliance issues.

The Trade Compliance Center also is home to the Trade Complaint Hotline, allowing easy contact by exporters.

In addition to these efforts, MAC will be placing compliance professionals in selected embassies abroad and working with the Department of State and USTR to develop staff training at the Foreign Affairs Institute for compliance officers.

In February, Secretary Evans asked each member of Congress to designate one member of their staffs to serve as a Congressional Compliance Liaison. The Secretary has also established a system of monthly reporting and monitoring of compliance problems and results. He has also established a case system whereby compliance issues may be addressed and monitored on line by MAC and Department of Commerce professionals

If I am fortunate enough to be confirmed by the Senate as Assistant Secretary for MAC, I will continue and expand the compliance outreach efforts of the Department of Commerce. I will work with industry and trade associations to learn of and investigate their compliance problems. If confirmed I will work with Congress to continue outreach in the compliance area.

*Question 11:* Increasingly, foreign countries have been challenging U.S. trade remedy laws at the WTO. These laws are entirely consistent with the applicable WTO agreements. Challenges by Japan and others plainly are aimed at accomplishing what they failed to accomplish in negotiations. At the same time, other countries increasingly are using their own trade remedy laws to reduce market access for U.S. products. Often foreign countries' uses of trade remedy laws are blatantly inconsistent with the applicable WTO agreements.

The United States cannot afford to sit back and watch other countries deny us market access in violation of the Antidumping Agreement and the Agreement on Subsidies and Countervailing Measures. As the world's most open market, we ought to stand up and challenge these violations. As head of MAC, would you be prepared to assist U.S. companies in challenging other countries' WTO-violative use of their antidumping and countervailing duty laws? If not, please explain.

*Answer:* I agree with the Senator that the United States cannot afford to sit back and watch other countries deny us market access in violation of the Antidumping Agreement and the Agreement on Subsidies and Countervailing Measures. We are the world's most open market and we must challenge these violations. If I am confirmed by the Senate, I will aggressively assist the Import Administration and USTR in challenging other countries' WTO-violative use of their antidumping and countervailing duties laws.

*Question 12:* In a recent paper, you refer to "efforts . . . to hijack the train of trade in the name of the environment, labor, global ethics and sovereignty." You dismiss those who want trade rules to address labor and the environment as "trade terrorists," and you call them "new trade-come-latelys." (All quotes come from "The Limited but Important Role of the WTO" Speech Delivered at Cato Inst., Nov. 17, 1999.)

As you probably are aware, I differ strongly with this view. To the extent that people want to see trade policy address labor and environment issues, it is simply a recognition of an inherent relationship among these issues. Policy should reflect economic reality. Moreover, those who press for inclusion of these issues on the agenda are hardly "trade-come-latelys." Recognition of these relationships goes back to the 1947 GATT, which states in preamble that "relations in the field of trade and economic endeavor should be conducted with a view to *raising standards of living*, ensuring *full employment* and a large and steadily growing volume of real income and effective demand, developing the *full use of the resources of the world* and expanding the production and exchange of goods."

Your dismissive attitude towards the presence of labor and environment in the trade agenda cause me serious concern. Is my concern unwarranted? If so, why?

Were those who sought to include intellectual property rights protection in the trade agenda two decades ago “trade terrorists?” Were they trying to hijack the trade policy agenda?

*Answer:* I share the Senator’s concerns regarding trade, labor and the environment. I believe that trade can have its most positive impact on labor and the environment by raising the standards of living. I believe that a wealthier trading partner will have higher environmental and labor standards. I have also written that a nation should be able to comply with its obligations under multilateral environmental agreements without fear of being in violation of trade obligations and that environmental regulations of our trading partners not be disguised trade barriers, both views that I believe the Senator has also expressed.

I agree with the Senator that policy should reflect economic reality. I support the views of President Bush that we must develop mutually supportive trade, environmental and labor policies. Market distorting subsidies by our trading partners threaten the environment. Canadian lumber subsidies and logging of old growth timber, foreign subsidies to fishing industries causing overfishing are examples of foreign trade practices which threaten the environment.

If am I fortunate enough to be confirmed by the Senate, I will unhesitatingly enforce environmental or labor provisions of international trade agreements.

I do not believe that those who sought to include intellectual property rights protection in the trade agenda two decades ago were trade terrorists. Nor were they trying to hijack the trade policy agenda. Intellectual property rights protection was an important and logical extension of trade policy, a policy that the United States, with a clear consensus, took the lead globally. U.S. firms were losing billions of dollars due to the piracy of intellectual property.

*Question 13:* In your November 1999 Cato article (p. 372), you characterize the views of some as opposition to trading “with states that have environmental or labor standards that differ from those of the United States of the European Union.” Do you recognize a difference, for example, between seeking countries’ adherence to core labor standards as defined by the International Labor Organization and seeking countries’ adherence to U.S. standards? Is it your position that countries’ failure to adhere to the core ILO standards has no effect on our trade relationship with those countries? Is it your view that countries’ failure to adhere to the core standards defined by the ILO should not be taken into account in formulating our trade policy?

*Answer:* I recognize the difference between seeking countries adherence to core labor standards as defined by the International Labor Organization and seeking countries adherence to U.S. standards. It is not my position that countries’ failure to adhere to the core ILO standards has no effect on our trade relationship with those countries. It is not my view that failure to adhere to the core standards defined by the ILO should not be taken into account in formulating our trade policy. In prior oral testimony before the Senate Finance Committee, January 28, 1999, I have expressed support for the ILO.

*Question 14:* In your November 1999 Cato article (p. 372), you state that “(g)overnments and environmental NGOs for whom trade is not a primary goal are unlikely to take a balanced perspective when evaluating trade and the environment.” Is it your contention that bureaucrats in the WTO are likely to take a balanced perspective when evaluating trade and the environment? Please explain.

*Answer:* It is not my contention that bureaucrats in the WTO are likely to take a balanced perspective when evaluating trade and the environment. I believe that the WTO lacks expertise and the collective knowledge to make such evaluations on a regular basis.

*Question 15:* In a recent article in the *Cato Journal*, you wrote, “Although well suited to handle trade disputes, the WTO is primarily a trade forum and lacks expertise in assessing environmental or labor standards.” (The Limited but Important Roles of the WTO, 19 *Cato Journal* 371, 372 (Winter 2000).) Would you agree that the same could be said of intellectual property rights? Sanitary and phytosanitary standards? Is there something that distinguishes labor and environment, on the one hand, and intellectual property rights and SPS, on the other, when it comes to the analytical abilities of WTO dispute settlement panels? Please explain.

*Answer:* What I believe distinguishes intellectual property rights from labor and environmental issues in WTO expertise is expertise, knowledge and consensus. Intellectual property is a direct trade issue in the sense that goods are produced with the explicit belief that they may cross borders and that they are the property of the person who creates them. The WTO could not serve American interests if it did not address an issue that was costing U.S. firms billions and billions of dollars. There

is a consensus that intellectual property is an issue that America needed to have addressed at the WTO. I am acutely aware of concerns in this area. I also believe that labor and the environment are issues that have to be addressed if there is to be a new consensus on trade. If I am fortunate enough to be confirmed by the Senate, I would look to Congress for guidance in this area.

*Question 16:* You have written, “by punishing for global environmental standards, the basic trade doctrine of comparative advantage may be watered down or ignored.” (Green Showdown at the WTO, Center or the Study of American Business Contemporary Issues Series 85 at 6 (March 1997).) Is the suppression of environmental standards on par with natural resource endowments or a skilled labor force as sources of comparative advantage? Isn’t suppression of environmental standards really a form of *regulatory* advantage? Please explain.

*Answer:* Suppression of environmental standards is not a legitimate form of comparative advantage and I have never supported and do not support the suppression of environmental standards. Suppression of environmental standards is a form of regulatory advantage. I understand that the NAFTA parties recognize that it is inappropriate to encourage investment by relaxing environmental standards. I am not aware of situations of where environmental standards have been suppressed to gain a comparative or regulatory advantage. If confirmed by the Senate, I would welcome an opportunity to learn more from the Senator and Congress about this practice and its impacts on U.S. competitiveness in global markets.

*Question 17:* In your November 1999 Cato article (p. 373), you state that “WTO panels provide an opportunity to test U.S. practice and laws to see if we are truly an open economy, dedicated to free trade.” As you are aware, the United States has had a number of recent defeats in WTO dispute settlement. Do you believe that these demonstrate that the United States is not “truly an open economy dedicated to free trade?” As head of MAC, could you see yourself refraining from pressing another county to open its markets for fear that that country might retaliate by challenging U.S. practices at the WTO?

*Answer:* I do not believe that an adverse decision at the WTO dispute settlement mechanism demonstrates or calls into question our national dedication to free trade nor the open nature of our economy. If I am fortunate enough to be confirmed by the Senate, I would never refrain from my duty and sworn obligation of aggressively pressing for market access for fear that the offending country might retaliate by challenging U.S. practices at the WTO.

If confirmed, I will never hesitate to press for market access and compliance by our trading partners. Secretary Evans has stated that compliance is going to be an absolute. My dedication to market access and compliance will be similarly unrelenting and unyielding.

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PREPARED STATEMENT OF BRIAN C. ROSEBORO

Chairman Baucus, Ranking Member Grassley, and Members of the Committee on Finance, thank you for the opportunity to appear before you today.

I am honored that President Bush has nominated me to serve as Assistant Secretary of the Treasury for Financial Markets and, if confirmed, to have the opportunity to work with Secretary O’Neill, the Treasury staff, and others in the Administration to advance the President’s economic agenda.

Before proceeding any further, I would like to take this opportunity to thank my grandparents, Cleo Duncan Roseboro and James Benjamin Roseboro Jr., both deceased. It is because of their instilling the values of hard work, perseverance and faith that I am honored to sit before you today.

If confirmed, I look forward to working closely with this Committee, the Senate, and with Members of the House of Representatives on the broad range of issues addressed by the Office of Financial Markets.

The Department of the Treasury plays a fundamental role in our financial markets. The strength and resilience of the markets are of critical importance to global financial stability and confidence. In addition to serving as an advisor to Secretary O’Neill on capital market issues, debt management, and Treasury’s response to market events, I especially hope to have the opportunity to work with this Committee to improve the efficiency with which we finance the government’s obligations.

My eighteen years of experience in capital markets has given me the opportunity to learn about and actively confront many of the pertinent issues evolving from the globalization of banking and capital markets. Beginning my career with the Federal Reserve Bank of New York, I learned the macroeconomic policy and operational issues critical for the development of efficient markets. Later, private sector opportunities, with preeminent global banking and insurance institutions, honed my un-

derstanding of the issues of those seeking to transfer financial risk and those choosing to manage it. In sum, I have been afforded a unique opportunity to understand and actively address many issues evolving in financial markets from the perspectives of regulator, salesperson, trader, and corporate wide risk manager.

Mr. Chairman, thank you again for the opportunity to appear before the Committee. I hope members of the Committee will support me, and I promise to work diligently and with an open mind on all matters that this Committee may wish to raise with this Office. I hope that this will be the beginning of a strong working relationship.

I would like to thank Secretary O'Neill for the confidence he has shown in me by supporting me for this office. I would be pleased to answer any questions that you and other members of the Committee may have.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

1. Name: (Include any former names used.)  
Brian Carlton Roseboro
2. Position to which nominated:  
Department of the Treasury, Assistant Secretary of Financial Markets
3. Date of nomination: *May 14, 2001*
4. Address: (List current residence, office, and mailing addresses.)  
Home: 185 Gates Ave, Montclair, New Jersey 07042  
Work: American International Group, 70 Pine Street, New York, N.Y. 10270
5. Date and place of birth:  
August 19, 1959, Washington, D.C.
6. Marital status: (include maiden name of wife or husband's name.)  
Married: Valerie Jeanne Walker
7. Names and ages of children:  
Daughter: Cleo Margaret Roseboro age – 2 ½ years  
Son: Brian Reynolds Roseboro age – 5 months
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)  
  
Columbia University Graduate School of Business, New York, N.Y.  
09/81 to 05/83 degree - Master of Business Administration 5/83  
  
University of Rochester, Rochester, N.Y.  
09/77 to 05/81 degree – BA in Economics 5/81  
  
St. John's College High School, Washington, D.C.  
09/74 to 05/77 degree – High School Diploma 5/77

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)
- 1996 – present **AMERICAN INTERNATIONAL GROUP**, New York, New York  
**Deputy Director, Market Risk Management**, Financial Services Division  
 Responsible for markets analytic function covering fixed income, foreign exchange and commodities. Interface with AIG trading and investment subsidiaries in New York, Connecticut, Los Angeles and Moscow. Develop market limit structures and risk measures for reporting to senior management.
- 1993 – 1996 **SBC WARBURG DILLON REED**, New York, New York  
**Director, Risk Management Advisor**, Capital Markets Division  
 Dedicated foreign currency derivatives specialist. Series 7 Registered Representative. Consulting/marketing resource for SBC account officers and sales force. Liaison with new financial product development group. Conducted seminars/presentations on foreign exchange and derivative products to clients on behalf of SBC and *Risk Magazine*.
- 1991 – 1993 **FIRST NATIONAL BANK OF CHICAGO**, Chicago, Illinois  
**Vice-President, Senior Foreign Exchange Options Trader**  
 Responsible for market-making, trading and risk management of multiple currency options portfolio.
- 1990 – 1991 **Vice-President, Foreign Exchange Options Marketer**  
 Options hedging/trading specialist; supported corporate and institutional marketing staff in efforts to devise effective currency exposure management programs. Introduced collateralized currency options program for institutional customers.
- 1988 – 1990 **FIRST CHICAGO INTERNATIONAL**, New York, New York  
**Vice-President, Foreign Exchange Marketer**  
 Account responsibilities for FORTUNE 100 companies.
- 1986 – 1988 **FEDERAL RESERVE BANK OF NEW YORK**, New York, New York  
**Chief Dealer, Foreign Exchange Trading**, Foreign Division  
 Managed staff of 6 traders/2 clerks. Oversaw the execution of currency transactions on behalf of the FED, US Treasury, international governmental agencies and foreign central banks. Liaison with foreign Central Banks' FX trading operations. Performed technical assistance mission, on foreign currency reserve management, to the Bangladesh Bank in Dhaka, Bangladesh, on behalf of the US Agency for International Development.
- 1984 – 1985 **Senior Foreign Exchange Trader**  
 Developed financial market intelligence network. Briefed FED and US Treasury officers on daily market developments and outlook. Co-authored currency options chapter included in Bank of International Settlements study "RECENT INNOVATIONS IN

INTERNATIONAL BANKING" April '86.

1983 – 1984 *Foreign Exchange Analyst*

Responsible for research/analysis of regulations and practices in developing currency futures and options markets. Interfaced with Commodity Futures Trading Commission in monitoring "large trader" futures activities.

10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)

None

11. Business relationships: (List all positions held [for the past 10 years] as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)

None

12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)

None

13. Political affiliations and activities:

- a. List all public offices for which you have been a candidate.  
None

- b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.  
None

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.  
None

14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievement.)

Federal Reserve Bank of New York President's Award for Excellence 1984 for analytical work on foreign exchange futures and options markets.

Federal Reserve Bank of New York President's Award for Excellence 1986 for work on BIS Study Group on Financial Innovations.

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)

None

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

None

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

I have broad work experience in financial markets over the past 18 years. During this period I worked as a central banker, financial markets salesperson, financial markets trader, financial markets risk advisor and manager. This has developed my perspective and sensitivities to both "macro" issues (such as systemic risk) and "micro" issues (such as the importance of full disclosure to customers/investors/corporations of derivative risk).

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes, except for my AIG retirement plan. My only continuing connection with my present employer will be my interest in AIG's defined benefit pension plan. I will vest in that plan as of July 1, 2001. I also have a 401k with AIG which consists of various equity funds which are publicly traded.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes.

**C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.  
  
Ownership of common stock and stock options in American International Group, Inc. (AIG), and common stock in JP Morgan and General Electric. Also, my continuing interest in AIG's defined benefit pension plan.
2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.  
  
None
3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.  
  
None
4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)  
  
I will divest of the common stock and options listed in response to item #1. Further, if my interest in the AIG defined benefit pension plan vests prior to my resignation from AIG, I will agree not to participate in any particular matter that may directly and predictably affect AIG's ability or willingness to pay my pension. Should any additional actual or potential conflicts arise, I will consult with Treasury Ethics officials.
5. **Two** copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.
6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be, reasonably requested to do so?

Yes

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes

RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* Reducing the debt held by the public lowers interest costs in the Federal budget in all future years. This is very important because the huge number of baby boomers will begin to retire in 2010. Social Security, Medicare and Medicaid costs will rise. But we will be in much better shape to cope with these costs if interest costs have dropped dramatically by then. Or be eliminated completely.

During the last three years, the Federal Government has been able to reduce debt held by the public by \$363 Billion. For Fiscal Year 2001, there should be more than \$150 Billion of additional reduction in such debt. We have done a good job. But we must do more.

Mr. Roseboro, you will be the Treasury official responsible for actually implementing the debt reduction. As I understand it, there are two methods for actually reducing the amount of debt held by the public. First, as debt matures, you can simply decline to roll it over with new debt. Second, you can buy back outstanding debt that has not matured yet. I understand that several years ago, Treasury began a program to buy back outstanding debt. And I understand that this program has been very successful.

Earlier this year, there was some dispute as to whether this buyback program could continue much longer into the future without having to pay excessive amounts to the holders of the debt. Some said the program could continue only through next year. Others said it could continue for quite a few more years. What would your view be, Mr. Roseboro about whether this program could successfully continue beyond next year?

*Answer:* Treasury's debt buyback program represents only a small portion of the overall paydown of the debt held by the public. To date, the Treasury has bought back \$47.25 billion par amount of securities since the inception of the debt buyback program in March of 2000. Response from the financial markets has been positive, and Treasury expects this to remain the case for some time.

Although costs may rise eventually, there is no evidence at this time to suggest that the debt buyback program cannot continue beyond next year. If confirmed, I will continue to evaluate the results of the buyback program going forward in order to ensure that the interests of America's taxpayers are protected.

*Question 2:* In testimony before the Senate Budget Committee in January, Fed Chairman Alan Greenspan raised the possibility that the Federal Government would have to purchase private-sector assets sometime during the next ten years. Indeed, the Congressional Budget Resolution assumed that by the end of Fiscal Year 2011, the Federal Government would hold \$843 Billion of excess cash.

Now Chairman Greenspan indicated that the need for the Federal Government to own private securities would be reduced if the Federal Government diverted Social Security payroll tax receipts into private sector savings accounts. However, I am advised that even with a diversion, such as a diversion of 2 percentage points of payroll taxes, the Federal Government will still have to buy private-sector assets—if not in the next ten years, then soon thereafter.

Now if the Federal Government has to purchase private-sector assets, it could be done by the Social Security Trust Fund, the Medicare Hospital Insurance Fund, another Trust Fund, or by the general Fund of the Treasury. Chairman Greenspan, in his testimony in January said that if it were necessary to have the Federal Government buy private-sector assets:

“It would be preferable in my judgment to allocate the required private assets to the social security trust funds, rather than to on-budget accounts. To be sure, such trust fund investments are subject to the same concerns about political pressures as on-budget investments would be. The expectation that the retirement of the baby-boom generation will eventually require a draw down of these fund balances does, however, provide some mitigation of these concerns.”

It seems clear then that one entity or another of the Federal Government will have to purchase private-sector securities in the future. If this is going to happen, we need to get our best minds thinking right now about how we could create independent boards that could be well insulated from any political pressure as to what to invest in. And we need to make sure that the Federal Government does not start interfering in shareholder decisions.

Your office should play a key role in developing options for the creation of such independent boards, or for finding other solutions for this problem. Do you plan on having your office work on these critical issues?

*Answer:* The Office of Financial Markets will play a key role in developing options for the Secretary of the Treasury and the Administration. If confirmed, I look forward to working within Treasury and with Congress on this important issue.