

1 EXECUTIVE BUSINESS MEETING TO CONSIDER S.J. RES 17, A
2 JOINT RESOLUTION APPROVING THE REAUTHORIZING AND RENEWAL
3 OF IMPORT RESTRICTIONS CONTAINED IN THE BURMESE FREEDOM
4 AND DEMOCRACY ACT OF 2003; AND TO CONSIDER THE
5 NOMINATIONS OF MIRIAM SAPIRO, TO BE DEPUTY U.S. TRADE
6 REPRESENTATIVE, WITH THE RANK OF AMBASSADOR; DAN
7 TANGHERLINI, TO BE ASSISTANT SECRETARY OF TREASURY FOR
8 MANAGEMENT AND CHIEF FINANCIAL OFFICER, DEPARTMENT OF
9 TREASURY; CARMEN NAZARIO, TO BE ASSISTANT SECRETARY FOR
10 FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES;
11 WILLIAM WILKINS, TO BE CHIEF COUNSEL FOR THE INTERNAL
12 REVENUE SERVICE AND AN ASSISTANT GENERAL COUNSEL FOR THE
13 DEPARTMENT OF TREASURY; KIM WALLACE, TO BE DEPUTY UNDER
14 SECRETARY OF TREASURY FOR LEGISLATIVE AFFAIRS, U.S.
15 DEPARTMENT OF TREASURY; GEORGE MADISON, TO BE GENERAL
16 COUNSEL, U.S. DEPARTMENT OF TREASURY; AND ROSA RIOS, TO
17 BE TREASURER OF THE UNITED STATES

18 THURSDAY, JULY 23, 2009

19 U.S. Senate,

20 Committee on Finance,

21 Washington, DC.

22 The meeting was convened, pursuant to notice, at
23 10:10 a.m., in room 215, Dirksen Senate Office Building,
24 Hon. Max Baucus (chairman of the committee) presiding.

25 Also present: Democratic Staff: Bill Dauster,

1 Deputy Staff Director and General Counsel; Amber Cottle,
2 Chief International Trade Counsel; Ayesha Khanna,
3 International Trade Counsel; Mary Baker, Detailee.
4 Republican Staff: Stephen Schaefer, Chief International
5 Trade Counsel and Nick Wyatt, Tax Staff Assistant.

6 Also present: Michael Smart, International Trade
7 Counsel; Claudia Poteet, International Trade Policy
8 Advisor; Josh Levasseur, Deputy Chief Clerk and Athena
9 Schritz, Archivist.

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

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4 The Chairman. The committee will come to order.

5 Today the committee has before it S.J. Res. 17, a
6 joint resolution renewing import restrictions in the
7 Burmese Freedom and Democracy Act, and the nominations of
8 Miriam Sapiro, to be Deputy U.S. Trade Representative;
9 Dan Tangherlini, to be Assistant Secretary of Treasury
10 for Management and Chief Financial Officer at Treasury;
11 Carmen Nazario, to be Assistant Secretary for Family
12 Support at HHS; William Wilkins, to be Chief Counsel for
13 the IRS and an Assistant General Counsel for Treasury;
14 Kim Wallace, to be Deputy Under Secretary for Legislative
15 Affairs at Treasury; George Madison to be General Counsel
16 at Treasury; and Rosa Rios to be U.S. Treasurer.

17 The committee will first consider S.J. Res. 17, a
18 resolution to renew the existing import ban on products
19 from Burma.

20 Aung San Suu Kyi, the Nobel Peace Prize winner and
21 democracy leader from Burma said: "The struggle for
22 democracy and human rights in Burma is a struggle for
23 life and dignity. It is a struggle that encompasses our
24 political, social and economic aspirations."

25 By approving S.J. 17, we can stand with the people

1 of Burma in their struggle to secure their basic human
2 rights.

3 Sadly, the Burmese government remains determined to
4 make this struggle a long and painful one. It continues
5 to suppress political opponents, conscript children into
6 the military, abuse the rights of workers, and allow
7 trafficking of people, particularly women and children,
8 with impunity.

9 Unilateral trade sanctions are often not an
10 effective tool to achieve our foreign policy goals. But
11 in the case of Burma, several of our trading partners,
12 including the European Union, Canada, and Australia, have
13 joined us in imposing trade and investment sanctions.
14 While the Burmese regime has maintained its grip on
15 power, these sanctions have had a meaningful effect on
16 the Burmese leadership. I, therefore, urge my colleagues
17 to support this resolution.

18 We also came together today to approve seven pending
19 nominations. The President asked these nominees to lead
20 our country through unprecedented challenges. Together,
21 they must provide legal and policy guidance that will
22 address economic uncertainty, both home and abroad.

23 Each of these nominees has demonstrated dedication,
24 creativity, and ingenuity in their previous positions.
25 They will be called upon to use all of these attributes

1 in their new positions. They must help restore America's
2 economic strength as we adapt to new and uncharted
3 territories. The President is confident that each of
4 them is up to the task. And so, let us proceed. I am
5 confident as well.

6 Let us come together to complete these two critical
7 tasks. Let us reauthorize and renew our sanctions on
8 Burma so that the Burmese people will know that we stand
9 with them in their struggle. And let us approve these
10 nominations, so our country can have the leadership
11 necessary to ensure a better tomorrow.

12 I now recognize Senator Grassley for any opening
13 remarks that he may wish to make.

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1 OPENING STATEMENT OF HON. CHUCK GRASSLEY, A U.S. SENATOR
2 FROM IOWA

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4 Senator Grassley. Thank you, Senator Baucus. Mr.
5 Chairman, I appreciate the opportunity to work on this
6 issue, as we have several times, that you and I have
7 worked together in this committee.

8 The record of Burma on human rights is extremely
9 poor. There is a pattern of government policies
10 suppressing liberties. The abuses have been very
11 extensive, and the trend, sadly, continues to be worse.

12 There are reportedly 2,100 political prisoners that
13 are behind bars, as well. The leader of the opposition
14 has spent 13 out of the past 20 years under house arrest.

15 In December 2006, the United Nations General
16 Assembly adopted a resolution expressing its grave
17 concerns over these human rights violations by Burma.

18 Burma poses serious risks to peace and security in
19 the region. This is not the time to reward the bad
20 actions and actors of the illegitimate Burmese
21 government.

22 We should send a very strong signal to the
23 government, particularly because it is military, but
24 otherwise as well, that their ongoing behavior is
25 unacceptable. So, I urge my colleagues to vote in favor

1 of continuing the trade sanctions against Burma for
2 another year.

3 During this meeting, the committee will also
4 consider favorably reporting the nominations of seven
5 individuals to the full Senate for consideration. I
6 intend to support all seven.

7 However, my support for the final confirmation of
8 Mr. Madison, nominated to be General Counsel of the
9 Treasury Department, will ultimately rest on his
10 continued responsiveness, and responsiveness of the
11 Department, to my questions.

12 I take my oversight responsibilities very seriously,
13 and right now, I am very concerned that this Special
14 Inspector General for the Troubled Asset Relief Program
15 is not getting the cooperation Congress entitled him to
16 from the Treasury Department, and that his
17 recommendations are not being seriously considered.

18 Just two days ago, as an example, Mr. Barofsky
19 testified before the House Committee on Oversight and
20 Government Reform: "Although Treasury has taken some
21 steps towards improving transparency in the TARP program,
22 it has repeatedly failed to adopt recommendations that
23 the Special Inspector General for TARP believes are
24 essential for providing basic transparency and fulfill
25 Treasury's stated commitment to implement TARP 'with the

1 highest degree of accountability and transparency
2 possible.'"

3 This is not acceptable and I intend to keep pursuing
4 this issue, along with questions regarding \$2.4 million
5 in bonuses to AIG executives that are still at issue in
6 the Department, and any bonus payments that may be paid
7 out in the future.

8 Additionally, I want to note that Carmen Nazario,
9 the President's nominee for Assistant Secretary of
10 Children and Families, Department of HHS, is on the
11 agenda today.

12 I will support Ms. Nazario's nomination moving
13 forward. I do have an outstanding issue regarding the
14 release of key data of the State's TANF participation
15 rates that need to be resolved. This issue will need to
16 be resolved prior to confirmation by the full Senate.

17 I am not picking on the Treasury Department or HHS
18 specifically here, but all government agencies, and
19 especially agencies that have Presidential nominees that
20 come through this committee need to know that I have
21 always placed great importance on congressional
22 oversight, and that is going to continue.

23 And I might say in regard to that, I have always had
24 the support of the Chairman of the committee, as well,
25 and I hope I have previously supported him in that

1 effort.

2 The Chairman. I might say, Senator, we have always
3 supported each other, very strongly. In this case, you
4 continue to have my support.

5 Senator Grassley. Thank you.

6 The Chairman. All right.

7 We will now recognize other Senators who wish to
8 make any statements with respect to the Burmese
9 resolution, or the nominees for that matter. I am sorry.
10 Senator Stabenow?

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1 OPENING STATEMENT OF HON. DEBBIE STABENOW, A U.S. SENATOR
2 FROM MICHIGAN
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4 Senator Stabenow. Mr. Chairman, I just briefly
5 want to thank you for bringing up the joint resolution
6 and for your comments. I think it is important that we
7 renew these import restrictions for all the reasons that
8 you indicated and I am pleased to be a co-sponsor. So, I
9 hope we can pass out quickly, along with the other
10 nominees.

11 The Chairman. Thank you, Senator.

12 Senator Enzi?
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1 OPENING STATEMENT OF HON. MIKE ENZI, A U.S. SENATOR FROM
2 WYOMING

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4 Senator Enzi. Mr. Chairman, on the Burmese issue,
5 I sympathize with the intent of the resolution, but I
6 have always opposed it on the basis that it is unilateral
7 and not multi-lateral. And when the United States takes
8 an effort and has no one else join them, it virtually has
9 no effect. I guess it makes us feel good when we pass
10 those, but as a result I have always opposed the Burmese
11 issue and will continue to do that. So, if we have voice
12 vote on that, I ask to be recorded as no.

13 The Chairman. I appreciate that Senator.

14 This actually is semi-lateral, because there are
15 several countries who are joining in, but not all,
16 clearly. There are some others in addition to the United
17 States, like the EU, Australia, and Canada. There are
18 some, but your point is well taken.

19 Is there any discussion?

20 Senator Carper?

21 Senator Carper. Senator Grassley mentioned that he
22 supported the nomination of Carmen Nazario. I am pleased
23 to hear that. When she was before us, I introduced her,
24 and she served in a wide variety of capacities during my
25 administration as Governor of Delaware with great

1 competence. And I am pleased that you are going to
2 support her nomination.

3 You mentioned that there are some, I think, TANF
4 data, that you are interested in obtaining and I just
5 want to offer whatever support and assistance I can in
6 making sure that you get what you need so that nomination
7 can go forward.

8 Senator Grassley. Yes. I would think that they
9 would be very willing to give us that information. I am
10 not sure that I can tell you off the top of my head
11 exactly the specific problem we have, but it is
12 information that we need.

13 Senator Carper. Fair enough.

14 The Chairman. All right.

15 The first order of business is S.J. Res. 17. Do any
16 Senators have any questions regarding the resolution?

17 Senator Grassley. Do you want me to make a motion?

18 The Chairman. Yes. As no amendments are filed, no
19 amendments are in order.

20 Is there any further debate on the resolution?

21 The Chairman. All right. Currently, we are
22 waiting for them to come.

23 Senator Grassley. Can I make a motion at this
24 point or do you have to have a quorum?

25 The Chairman. We cannot act on it.

1 Senator Grassley. Well then, let us see.

2 The Chairman. On the resolution.

3 Senator Grassley. Yes. I move that we adopt the
4 resolution on Burma.

5 The Chairman. Thank you. Is there any further
6 discussion on the resolution? Talk about Burma?

7 Senator Conrad. We need two more Senators.

8 The Chairman. We need two more Senators to act and
9 we are expecting them very shortly.

10 Senator Grassley. Yes.

11 The Chairman. They are "on their way".

12 One of those oft-repeated phrases in this body.

13 [Laughter].

14 The Chairman. And to which the rejoinder is
15 always, on their way from where?

16 Senator Grassley. Yes.

17 [Laughter].

18 The Chairman. All right.

19 There are issues we can go over now.

20 Senator Grassley. We can do some negotiation on
21 health care.

22 The Chairman. Yes, we can. Yes.

23 [Laughter].

24 The Chairman. Senator Kerry, you are a foreign
25 policy expert. What can you tell us about Burma?

1 [Laughter].

2 Senator Kerry. It is a sad situation. My friend
3 Senator Enzi is accurate that it would be far more
4 effective if a lot more people were joining in, and
5 particularly if the Chinese had a different relationship
6 with Burma.

7 It is a shockingly disconnected government that has
8 only its own interests and money and power. So, it is a
9 sad situation. But, unfortunately, because of China's
10 close relationship, it has been very difficult for any
11 sanction to have a major impact.

12 The Chairman. All right. A quorum is now present.
13 Is there any further debate on the motion that the
14 committee report the resolution S.J. Res. 17?

15 [No response].

16 The Chairman. Seeing none, all of those in favor
17 say aye?

18 [A chorus of ayes].

19 The Chairman. Those opposed, no.

20 [A chorus of nays].

21 The Chairman. The ayes have it. The resolution is
22 ordered reported.

23 The next order of business is the seven nominees
24 before us. Is there any debate on the nominations?

25 Senator Grassley. I would move that we do those

1 nominations en bloc.

2 Senator Kerry. I second that, Mr. Chairman.

3 The Chairman. Any Senator require a recorded vote?

4 [No response].

5 The Chairman. Seeing none, all those in favor say
6 aye?

7 [A chorus of ayes].

8 The Chairman. Those opposed, no?

9 [No response].

10 The Chairman. The ayes have it. The nominations
11 are ordered reported.

12 I thank all of the Senators, and I thank Senator
13 Conrad for getting a bigger quorum.

14 [Laughter].

15 The Chairman. The meeting is adjourned.

16 [Whereupon, at 10:24 a.m., the meeting was
17 concluded.]

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I N D E X

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