

1 EXECUTIVE COMMITTEE MEETING TO CONSIDER  
2 FAVORABLY REPORTING THE NOMINATION OF JOHN W.  
3 SNOW, TO BE SECRETARY OF THE U.S. DEPARTMENT OF  
4 TREASURY  
5 THURSDAY, JANUARY 30, 2003  
6 U.S. Senate,  
7 Committee on Finance,  
8 Washington, DC.

9 The meeting was convened, pursuant to notice,  
10 at 10:05 a.m., Hon. Charles E. Grassley (chairman  
11 of the committee) presiding.

12 Also present: Senators Hatch, Lott, Snowe,  
13 Kyl, Thomas, Santorum, Frist, Smith, Bunning,  
14 Baucus, Graham, Bingaman and Lincoln.

15 Also present: Kolan Davis, Staff Director  
16 and Chief Counsel; Theodore Totman, Deputy Staff  
17 Director; Jeff A. Forbes, Democrat Staff  
18 Director; and Carla Martin, Chief Clerk.

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1 OPENING STATEMENT OF THE HON. CHARLES E. GRASSLEY,  
2 A U.S. SENATOR FROM IOWA

3 The Chairman. We gather this morning for  
4 two reasons, one, to have a markup of the  
5 nomination of John Snow for Secretary of the  
6 Treasury, and the other is for a hearing. Since  
7 we do not have a quorum present yet, we would do  
8 statements on the Snow nomination--members can  
9 enter into that--then when we get the 11 members  
10 that we need for a quorum we will move forward  
11 with a vote on the nomination. And for the  
12 benefit of my staff, there are two members down  
13 the hall in Judiciary that would come up here to  
14 help us make a quorum. And I am glad that my  
15 colleague, Senator Baucus, is here so we can move  
16 forward.

17 Senator Baucus. Mr. Chairman, I might add  
18 that I am a little embarrassed. It is a little  
19 bit vacant over here to my right, but I see that  
20 three of the four new members on your side are  
21 here. And I will try to work on my side.

22 Senator Santorum. We are ready to work.

23 Senator Baucus. That is my concern  
24 (laughter).

25 The Chairman. I had an opportunity at our

1 first hearing to introduce three of our four new  
2 members. It gives me an opportunity to call  
3 everybody's attention to the Senator from  
4 Kentucky, Senator Bunning, who is a new member of  
5 this committee. I know that he will help us very  
6 much with our work at the Finance Committee. He  
7 brings background from the Ways and Means  
8 Committee that deals with most of the stuff that  
9 we deal with on this committee. We welcome you,  
10 Senator Bunning.

11 Senator Bunning. Thank you, Mr. Chairman.

12 The Chairman. The matter at hand today is  
13 the nomination of John Snow to be Secretary of  
14 the Treasury. The Treasury Secretary is one of  
15 the most important positions in the President's  
16 cabinet.

17 As I said at the nomination hearing two days  
18 ago, this committee has a bipartisan tradition of  
19 acting expeditiously on nominations for Secretary  
20 of the Treasury. The reason is because the  
21 importance of this nomination to the Nation's  
22 economic policy making, and particularly right at  
23 this time when there is some anxiety about that  
24 economy.

25 The evidence of this tradition can be gleamed

1 | from committee records of our concern about the  
2 | economy and this important position in regard to  
3 | the economy.

4 |       Take a look at recent history. For the  
5 | period covering the first Bush administration,  
6 | the Clinton administration, and this Bush  
7 | administration this committee has kept the  
8 | position of Treasury Secretary filled in  
9 | virtually a seamless man.

10 |       I would like to emphasize that point. For  
11 | this time in recent history we do not have a  
12 | vacancy in the position of Secretary of the  
13 | Treasury. There has been then a gap in service  
14 | and we need to close that gap. As long as that  
15 | vacancy remains our markets wonder, our global  
16 | trading partners speculate, and the President  
17 | is denied his principal economic policy advisor.

18 |       All Finance Committee members, democrats and  
19 | republicans alike past and present, should be  
20 | proud of the record of this committee on this  
21 | issue in recent history of filling and seeing  
22 | that there is a seamless transfer of authority.

23 |       It should be no surprise to anyone that the  
24 | committee has taken our responsibility in this  
25 | area seriously. Whether we have divided

1 government or if one party controls the Congress  
2 and another party the administration, it just  
3 simply has never mattered. Much of this  
4 committee's policy is tied to the Treasury  
5 Department. It is a relationship that has a  
6 history of seriousness, productivity and  
7 obviously gravity. We have all very much an  
8 interest in filling this important position. So  
9 I appreciate my colleagues' cooperation. I ask  
10 your assistance in helping us move this  
11 nomination quickly.

12 Senator Baucus.

13 Senator Baucus. Thank you, Mr. Chairman.  
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1 | OPENING STATEMENT OF THE HON. MAX BAUCUS, A  
2 | U.S. SENATOR FROM MONTANA

3 |       Senator Baucus.   First of All, I am pleased  
4 | with the manner in which you held the hearing on  
5 | the nomination. We did it expeditiously. And it  
6 | took some time to get the information to the  
7 | committee and it took some time for the nominee  
8 | to answer the questions. That is basically  
9 | because the confirmation process is quite  
10 | involved. It is not easy. And it should not be  
11 | easy, frankly, particularly for a position as  
12 | important as the Treasury Secretary. That is, we,  
13 | the committee, have a constitutional obligation  
14 | under the advice and consent of the provisions  
15 | of the Constitution to look at a nominee very  
16 | closely to determine whether or not the Senate  
17 | believes that the nominee is appropriately  
18 | qualified to serve as Treasury Secretary.

19 |       We asked of him, frankly, a lot of questions  
20 | on a lot of different subjects: tax policy,  
21 | prescription drug benefits and budget deficits.  
22 | We also asked Mr. Snow about matters involving  
23 | corporate covenants and executive compensation,  
24 | and he has replied to all the questions.

25 |       It took some time, as I said, but that is

1 probably because he has led a varied life. I  
2 mean, he has been on many boards and is very  
3 active in the business world. And so it took  
4 some time to get all the information that we  
5 asked for.

6 As you mentioned, Mr. Chairman, this committee  
7 does have a tradition of very promptly and  
8 appropriately moving Presidential nominees. I  
9 think that is important. That is important for  
10 continuity and it is important to keep our  
11 government running.

12 I think the American people, too, are  
13 anxious about our flagging economy and with the  
14 prospect of war. And with the future a bit  
15 uncertain, I think we have the responsibility to  
16 move as expeditiously as we appropriately can to  
17 help fill the position and without delay.

18 In that regard, Mr. Chairman--and I am very  
19 happy to see our majority leader here--I urge the  
20 Senate leadership to bring this nomination to the  
21 floor, frankly, today to the degree that it is  
22 possible.

23 I understand that all Senators clearly have  
24 the right to debate any measure before the Senate,  
25 to vote yes, to vote no. That is a senatorial

1 prerogative and I highly respect it, but I do  
2 ask our leadership to at least bring the nominee  
3 to the floor so that the Senators can make their  
4 own decisions as to what seems the most  
5 appropriate.

6 One final comment, Mr. Chairman.

7 I am a bit concerned about how we handle  
8 upcoming debates about the budget and taxes and  
9 health care. We need to get to work. There is  
10 a lot that has to be done here. And, clearly, we  
11 need to continue to work in a very bipartisan  
12 fashion. And I look forward to working with you.  
13 Not only with you, Mr. Chairman, the whole  
14 committee and other members of the Senate.

15 The Chairman. Thank you.

16 In regard to your last comment, Senator  
17 Baucus, I would suggest to you that we would be  
18 able to follow through on what you suggest and  
19 plan accordingly for that in our weekly meetings  
20 that you and I have, and involve other Senators  
21 appropriately, both from the standpoint of what  
22 you might do with members of your party separate  
23 from republicans and us, but also what we will do  
24 together both in the informal setting as well as  
25 a formal setting.



1           Could I ask that members put their statement  
2 in the record so we can move now? We have a  
3 quorum.

4           I would like to turn then to the nomination  
5 of John Snow to be Secretary of the Treasury.

6           Senator Baucus. Mr. Chairman, I move that  
7 the committee report the nominee out favorably.

8           The Chairman. All right.

9           With that motion before us, I ask for the  
10 ayes and nays. I would like to do it by voice  
11 vote. All in favor say aye.

12           (A chorus of ayes)

13           The Chairman. All opposed?

14           (No response)

15           The Chairman. In my opinion, it is a clear  
16 favor of the ayes. The ayes have it. And now we  
17 would favorably report the nomination of John Snow  
18 to be Secretary of the Treasury.

19           The executive session is adjourned and we will  
20 now very shortly move to our committee hearing.  
21 Thank you all very much. Thank you for your  
22 cooperation.

23           Senator Frist. Mr. Chairman.

24           The Chairman. Yes, Senator Frist.

25           Senator Frist. I just want to thank the

1 ranking member for making a statement that it is  
2 his hope that we take to the floor today what we  
3 have just done in terms of this particular  
4 nomination. And I believe that it is absolutely  
5 critical, given the economic reports that are out  
6 today and the importance of this position, that  
7 this be voted upon today or tonight.

8 I will say that several meetings have been  
9 requested today of the nominee, and those  
10 arrangements have been made. Some of those  
11 meetings apparently cannot take place because of,  
12 not the nominee but the person requesting it,  
13 until very, very late today or this evening. And  
14 I would ask that every consideration be made that  
15 that information both be made, and I have the  
16 assurance from the nominee and the Administration  
17 that he would be available for those particular  
18 meetings. But it is important that we do it  
19 early in the day rather than later today because  
20 otherwise we will be here until quite late  
21 tonight in order to accomplish what is your goal  
22 and our goal, and that is final approval by the  
23 United States Senate tonight.

24 So, I just wanted to encourage whatever  
25 meetings must be held, as requested by the other

1 side today and that the nominee is available.

2 But I appreciate very much your statement that we  
3 can do this today and we will work towards that.

4 The Chairman. All right.

5 (The prepared statement of Senator Baucus  
6 appears in the appendix.)

7 (Whereupon, at 10:16 a.m., the meeting was  
8 concluded.)

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2	STATEMENT OF:	<u>PAGE</u>
3	THE HONORABLE CHARLES E. GRASSLEY	
4	A United States Senator	
4	from the State of Iowa	2
5	THE HONORABLE MAX BAUCUS	
6	A United States Senator	
6	from the State of Montana	6
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# Committee On Finance

Max Baucus, Ranking Member

**NEWS RELEASE**

<http://finance.senate.gov>

For Immediate Release  
Thursday, January 30, 2003

Contacts: Laura Hayes, Lara Birkes  
202-224-4515

## STATEMENT OF SENATOR MAX BAUCUS MARKUP ON TREASURY SECRETARY NOMINEE JOHN SNOW

I also am pleased that Finance Committee is moving forward with the nomination of John Snow to be the next Treasury Secretary. The confirmation process is not easy for any nominee. Nor should it be. As part of the constitutional advice and consent function, the Committee must review a nominee's experience, qualifications and suitability to serve in the position to which he or she has been nominated.

The Committee has asked Mr. Snow hundreds of questions. We sought his views on tax policy, prescription drugs, and budget deficits. We asked about matters involving corporate governance and executive compensation. He has responded to all of our questions.

The Committee has a tradition of promptly moving the President's nominees once the appropriate reviews are made. Today's markup is in keeping with that tradition. The American people are anxious about the flagging economy and the prospect of war. With the future uncertain, it is important for our country to have a Treasury Secretary in place to help tackle the difficult challenges ahead. The President has selected a man who is well qualified and we should act without delay.

I also urge our Senate leadership to bring this nomination to the floor of the Senate today. I understand that Senators have the right to debate any measure before the Senate, and to vote no. But I ask our majority leader and minority leader to put the confirmation on today's agenda.

One final comment: I remain concerned about how we handle the upcoming debates about the budget, taxes and healthcare. We need to get to work. But we need to work together, in a bipartisan fashion, to address these important issues. I am committed to working with the Administration to try to find common ground. The new Secretary shares this commitment. I look forward to working with him.