OPEN EXECUTIVE SESSION TO CONSIDER FAVORABLY REPORTING THE NOMINATIONS OF GERARD KLOMP, TO BE DEPUTY SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES; JAMES R. GADWOOD, TO BE CHIEF COUNSEL, INTERNAL REVENUE SERVICE, AND ASSISTANT GENERAL COUNSEL, DEPARTMENT OF THE TREASURY; GE BAI, TO BE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND ANDREW A. De MELLO, TO BE A JUDGE OF THE UNITED STATES TAX COURT

THURSDAY, SEPTEMBER 24, 2026

U.S. Senate,

Committee on Finance,

Washington, DC.

The meeting was convened, pursuant to notice, at 10:07 a.m., in Room SD-215, Dirksen Senate Office Building, Hon. Mike Crapo (chairman of the committee) presiding.

Present: Senator Wyden.

Also present: Republican staff: Ashlyn Herring, Professional Staff Member; Sam Llewellyn, Professional Staff Member; Kellie McConnell, Health Policy Director; and Gregg Richard, Staff Director. Democratic staff: Kendall Hollimon, Investigator; Sarah Schaefer, Chief

Tax Advisor; Joshua Sheinkman, Staff Director; and Tiffany Smith, Deputy Staff Director and Chief Counsel.

OPENING STATEMENT OF HON. MIKE CRAPO, A U.S. SENATOR FROM IDAHO, CHAIRMAN, COMMITTEE ON FINANCE

The Chairman. The committee will come to order. We meet today in executive session to consider favorably reporting the nominations of the following individuals: Gerard Chris Klomp to be Deputy Secretary of HHS; James "Jim" Gadwood to be Chief Counsel of the Internal Revenue Service; Ge Bai to be Assistant Secretary for Planning and Evaluation at the Department of Health and Human Services; and Andrew De Mello to be a judge on the U.S. Tax Court. As is our usual process, members will have another opportunity this morning to offer their remarks on the nominees if they choose to. Members will be notified of the time and location as we conclude this hearing to conduct the vote on the nominees off the Senate floor.

During last week's hearing, Mr. Klomp emphasized the importance of effective leadership and operational excellence at the Department of Health and Human Services, including aligning people, policy, technology, and resources around clear objectives and measurable results. I appreciated his commitment to ensuring that HHS effectively carries out its mission and empowers its talented workforce to address the pressing health

challenges facing our country.

Mr. Gadwood discussed the important responsibility of the IRS Chief Counsel to provide taxpayers with timely guidance, clear and principled legal advice, and effective representation of the Internal Revenue Service. I was encouraged by his commitment to providing taxpayers with the certainty they need to comply with our tax laws while ensuring the Internal Revenue Code is administered fairly and consistently.

Dr. Bai highlighted the need for rigorous, evidence-based analysis to inform health policy and address the significant challenges facing our Nation's health-care system. I appreciated her focus on improving the value Americans receive from our health-care system and her commitment to using sound research and analysis to inform policies that promote affordability, access, competition, and innovation.

Mr. De Mello spoke about the experience and perspective he gained through his service at the IRS, including his work in the Office of Chief Counsel and his service as Acting Chief Counsel. He also emphasized the important role the United States Tax Court plays in providing taxpayers with an independent forum to resolve disputes. I welcomed his commitment to applying the law fairly and impartially and to treating every taxpayer

who appears before the court with patience, respect, and evenhandedness.

Before closing, all nominees before the Finance Committee undergo significant vetting by congressional staff, and each of the nominees here today have met the committee's vigorous vetting standard. I am voting in favor of each nominee and encourage my colleagues to do the same.

And I now recognize Ranking Member Wyden for his remarks.

OPENING STATEMENT OF HON. RON WYDEN, A U.S. SENATOR FROM OREGON

Senator Wyden. Thank you very much, Mr. Chairman. Today, we vote on four Trump nominees who will operate at the heart of American health-care and tax policy. Unfortunately, these nominees have displayed the same pattern of obstruction and misrepresentation that we have seen so often.

Chris Klomp has been nominated to be the number two official at HHS. Last week, I asked him to follow through on the commitment Robert Kennedy made to multiple Democrats and Republicans on this committee. Five months ago, we were told that we would have a release of the details of the Trump sweetheart drug deals with big pharma. Since then, all we have received are excuses and misrepresentations. I laid out in writing each request I made to provide the facts to the American people. Until these details are made public, I will keep fighting to impede Mr. Klomp's nomination.

Late last week, parts of the agreement were made public through a Freedom of Information Act request. It confirmed what my investigators found. These agreements are chock-full of goodies for big pharma, like fast-track approval for new drugs and tariff exemptions.

What is missing from these disclosures is any evidence -- any evidence -- that patients and taxpayers are getting lower prices from big pharma. Financial analysts have concluded that these details are immaterial to big pharma's stock prices, which leads everybody in my view to a conclusion: these deals are a fraud, and Donald Trump and his accomplices are fleecing the American people while the corporate CEOs laugh all the way to the bank.

During his confirmation hearing, Mr. Klomp also tried to create the impression that he will be the "adult" in the room on vaccines. Yet as we sit here today, the vaccine chaos that we have come to expect from Robert Kennedy at HHS is continuing. Now, until yesterday, the CDC was refusing to provide access to COVID vaccines under the Vaccines for Children Program. That is a vital program that protects millions of low-income kids. As a result, medically frail children have not been able to access vaccination, and parents have been denied the ability to make health-care choices that actually work for the families of America.

During his confirmation process, Robert Kennedy told the Finance Committee -- and no fewer than 37 times -- that he would, and I quote, "do nothing as HHS Secretary that makes it difficult or discourages people

from taking vaccines." That was a lie, a lie my Republican colleagues swallowed when they voted to confirm him. Mr. Klomp is complicit in these lies despite the fact that he has tried very hard to convince people otherwise.

My staff asked Mr. Klomp to confirm that CDC Director Schwartz would resolve this issue by the end of the week. I am glad to hear that these vaccines are being distributed, but it should not take a member of Congress or their staff intervening to get the vaccines to the people across the country who need them. As the country enters the fall season, I am going to be watching -- and watching closely -- for more games that delay or deny vaccines to those who need them.

One last note on Mr. Klomp. At our hearing, my investigators revealed that he had manipulated his tax payments to avoid paying any tax into Social Security or Medicare in at least 2 of the last several years. Late last week, a Federal court ruled that this tax maneuver is actually illegal. If this ruling is upheld, I expect Mr. Klomp, as well as Secretary Bessent and CMS Administrator Oz, to pay back the taxes they owe to the American people.

The other health-care nominee the committee will vote on this morning is Ge Bai, who has been working in

the Trump administration while multiple reports containing false information got published. The nominee for this job is supposed to be the lead researcher for Federal health care and human services. But the nominee has refused in writing to acknowledge or correct the falsehoods in these reports she oversaw.

This week, J.D. Vance, flanked by Oz and Klomp, used one of those faulty reports to justify colluding with insurance companies to kick 760,000 low- and middle-income Americans off their health insurance. In my view, that is one big red flag, that a nominee is going to prioritize the Trump administration's political narrative over honestly examining the realities of what Americans are experiencing with their health care.

The committee is also going to vote on the Chief Counsel for the IRS and a member of the Tax Court. These are positions of a huge import, but the Trump administration's complete disregard for the law on tax matters relating to privacy and political interference is a grave concern. The IRS Chief Counsel nominee also works for a law firm that represents Donald Trump's private company. When my staff asked him whether he represented Trump's company, he refused to answer.

I asked him at the hearing and got the same nonanswer. Then I met with him in my office; still no

answer. That level of secrecy and obstruction at a time when the IRS is trying to give the President a corrupt immunity deal is, in my view, a whopping conflict of interest that should be disqualifying for him for a position of such import as the IRS Chief Counsel.

Neither of these nominees, Mr. Chairman, have convinced me that they will follow the law ahead of orders handed down by Donald Trump, Scott Bessent, or Frank Bisignano. Americans expect those who administer the tax code to be fair and impartial, and the current administration fails, and fails utterly, to meet those expectations. For that reason, I am going to vote "no" on each of these nominations. I urge my colleagues strongly to do the same.

And I yield back to you.

The Chairman. Thank you, Senator Wyden.

And before I go on with the concluding business that we have, I just feel I do need to respond with regard to the allegations that have been made with regard to Mr. Klomp.

I think it is very important to remember what I said in my opening statement, which is that every nominee before this committee goes through a very, very thorough vetting process. Mr. Klomp did the same. He provided every document requested. He responded to

every question raised. And the fact is that, to the allegation that he has manipulated his taxes or done something inappropriate is not justifiable. And I do not believe that his sterling character should be questioned in that regard.

The issue at stake here is one, as Senator Wyden has indicated, where there is a disagreement in the law right now about what the law requires, and it is under litigation. Cases are looking at it in both directions. Mr. Klomp has indicated that once this matter has fully worked through the courts, if it requires that he treat his taxes any differently than others have and other nominees in this committee have, then he will amend his tax returns. But I think it is important that we make the record clear that he went through a thorough vetting, that he followed the law that many others have followed.

The issue is being litigated. If the issue is resolved in a different manner, then he will amend his tax returns. But I think the allegations against his character are not justified.

Senator Wyden. Mr. Chairman, I feel very strongly about this. Normally, we do not continue a discussion like this. But to me, if you are going to run an agency like this, you ought to be setting an example. You

ought to set an example for the American people that you are going to live by the same kind of rules that everybody else does, rather than look for a loophole.

So, I understand that there are discussions about legal issues and various proceedings that are not often debated. But I think in this case, you want -- and I said this with respect to the other individuals who are involved in it -- you want these people actually leading the American people. One of the things the American people feel about government is that there are two sets of rules: one for them, and then one for everybody else in Washington, DC who happens to be a bigshot.

That is why I feel so strongly. I realize we have a difference of opinion, and I think we will continue to work together wherever we can.

The Chairman. We will. I just want to make it clear that this is not a loophole issue. This is not a manner of trying to get around tax policy. It is following an established approach to tax policy that now is being challenged, and he has indicated he will follow whatever the courts say should be done. But I think Americans want people -- want themselves to be able to follow the tax law and not be accused of seeking loopholes or anything like that.

That is my point. I just -- I do not agree with

trying to undermine the character of a person because they are following established procedure that is followed by many others and has been followed by other nominees who have passed through this committee in terms of the --

Senator Wyden. The people, Mr. Chairman --

The Chairman [continuing]. Interpretation of the tax code.

Senator Wyden. The people who passed through this committee and did this, I blew the whistle on them as well. And I will continue to do it, because it is part of a bipartisan effort I have had over the years in tax policy. As you know, I have worked with a number of your colleagues to do it.

I make sure that in every way possible, we are not setting an example that there is one set of rules that are pretty cozy for people at the top, and another for everybody else. And I look forward to continuing the discussion.

The Chairman. Well, I will just say we do have a disagreement. I disagree with your characterization, and I just want the record to show that.

With that, I see that there are no other Senators here who wish to make an opening statement. So, procedurally, unless there is an objection, the

committee will recess. And we will convene off the floor at 10:45, which is when the next vote will be called, to begin the vote on the nomination off the Senate floor.

Without objection, that --

Senator Wyden. Let me just make sure, because I think we are making a change. I want all of our colleagues -- was it not 1:45? And now you want to make it 10:45?

The Chairman. I think it was 10:45.

Senator Wyden. Oh, all right. Great.

The Chairman. Yes.

Senator Wyden. 10:45 it is.

The Chairman. We will be meeting off the floor at 10:45. And members will be notified to that effect.

Without objection, it is so ordered. And with that, the committee stands in recess.

[Whereupon, at 10:21 a.m., the meeting was recessed.]

The open executive session was reconvened, pursuant to notice, on Thursday, September 24, 2026, at 10:45 a.m., in Room S-216, The President's Room, U.S. Capitol, Hon. Mike Crapo (chairman of the committee) presiding.

The Chairman. The committee will come to order.

We now have a quorum. I move that we favorably report the nomination of Gerard Klomp.

Senator Grassley. Seconded.

The Chairman. The Clerk will call the roll.

The Clerk. Mr. Grassley?

Senator Grassley. Aye.

The Clerk. Mr. Cornyn?

Senator Cornyn. Aye.

The Clerk. Mr. Thune?

Senator Thune. Aye.

The Clerk. Mr. Scott?

Senator Scott. Aye.

The Clerk. Mr. Cassidy?

Senator Cassidy. Aye.

The Clerk. Mr. Lankford?

Senator Lankford. Aye.

The Clerk. Mr. Daines?

Senator Daines. Aye.

The Clerk. Mr. Young?

Senator Young. Aye.
The Clerk. Mr. Barrasso?
Senator Barrasso. Aye.
The Clerk. Mr. Johnson?
Senator Johnson. Aye.
The Clerk. Mr. Tillis?
Senator Tillis. Aye.
The Clerk. Mrs. Blackburn?
Senator Blackburn. Aye.
The Clerk. Mr. Marshall?
Senator Marshall. Aye.
The Clerk. Mr. Wyden?
Senator Wyden. Nay.
The Clerk. Ms. Cantwell?
Senator Cantwell. Nay.
The Clerk. Mr. Bennet?
Senator Bennet. Nay.
The Clerk. Mr. Warner?
Senator Warner. Nay.
The Clerk. Mr. Whitehouse?
Senator Wyden. Aye by proxy.
The Clerk. Ms. Hassan?
Senator Hassan. Nay.
The Clerk. Ms. Cortez Masto?
Senator Cortez Masto. Nay.

The Clerk. Ms. Warren?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Sanders?

Senator Wyden. Nay by proxy.

The Clerk. Ms. Smith?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Luján?

Senator Luján. Nay.

The Clerk. Mr. Warnock?

Senator Warnock. Nay.

The Clerk. Mr. Welch?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Chairman?

The Chairman. Aye.

The Clerk will announce the vote.

The Clerk. Mr. Chairman, the final tally is 15 ayes and 12 nays.

The Chairman. The “ayes” have it. And the nomination is favorably reported.

We’ll now move to favorably report the nomination of James Gadwood.

Senator Grassley. Seconded.

The Chairman. The Clerk will call the roll.

The Clerk. Mr. Grassley?

Senator Grassley. Aye.

The Clerk. Mr. Cornyn?
Senator Cornyn. Aye.
The Clerk. Mr. Thune?
Senator Thune. Aye.
The Clerk. Mr. Scott?
Senator Scott. Aye.
The Clerk. Mr. Cassidy?
Senator Cassidy. Aye.
The Clerk. Mr. Lankford?
Senator Lankford. Aye.
The Clerk. Mr. Daines?
Senator Daines. Aye.
The Clerk. Mr. Young?
Senator Young. Aye.
The Clerk. Mr. Barrasso?
Senator Barrasso. Aye.
The Clerk. Mr. Johnson?
Senator Johnson. Aye.
The Clerk. Mr. Tillis?
Senator Tillis. Aye.
The Clerk. Mrs. Blackburn?
Senator Blackburn. Aye.
The Clerk. Mr. Marshall?
Senator Marshall. Aye.
The Clerk. Mr. Wyden?

Senator Wyden. Nay.
The Clerk. Ms. Cantwell?
Senator Cantwell. Nay.
The Clerk. Mr. Bennet?
Senator Bennet. Nay.
The Clerk. Mr. Warner?
Senator Warner. Nay.
The Clerk. Mr. Whitehouse?
Senator Wyden. Nay by proxy.
The Clerk. Ms. Hassan?
Senator Hassan. Nay.
The Clerk. Ms. Cortez Masto?
Senator Cortez Masto. Nay.
The Clerk. Ms. Warren?
Senator Wyden. Nay by proxy.
The Clerk. Mr. Sanders?
Senator Wyden. Nay by proxy.
The Clerk. Ms. Smith?
Senator Wyden. Nay by proxy.
The Clerk. Mr. Luján?
Senator Luján. Nay.
The Clerk. Mr. Warnock?
Senator Warnock. Nay.
The Clerk. Mr. Welch?
Senator Wyden. Nay by proxy.

The Clerk. Mr. Chairman?

The Chairman. Aye.

The Clerk will announce the vote.

The Clerk. Mr. Chairman, the final tally is 14 ayes and 13 nays.

The Chairman. The “ayes” have it. And the nomination is favorably reported.

We’ll now move to favorably report the nomination of Ge Bai.

Senator Grassley. Seconded.

The Chairman. The Clerk will call the roll.

The Clerk. Mr. Grassley?

Senator Grassley. Aye.

The Clerk. Mr. Cornyn?

Senator Cornyn. Aye.

The Clerk. Mr. Thune?

Senator Thune. Aye.

The Clerk. Mr. Scott?

Senator Scott. Aye.

The Clerk. Mr. Cassidy?

Senator Cassidy. Aye.

The Clerk. Mr. Lankford?

Senator Lankford. Aye.

The Clerk. Mr. Daines?

Senator Daines. Aye.

The Clerk. Mr. Young?
Senator Young. Aye.
The Clerk. Mr. Barrasso?
Senator Barrasso. Aye.
The Clerk. Mr. Johnson?
Senator Johnson. Aye.
The Clerk. Mr. Tillis?
Senator Tillis. Aye.
The Clerk. Mrs. Blackburn?
Senator Blackburn. Aye.
The Clerk. Mr. Marshall?
Senator Marshall. Aye.
The Clerk. Mr. Wyden?
Senator Wyden. Nay.
The Clerk. Ms. Cantwell?
Senator Cantwell. Nay.
The Clerk. Mr. Bennet?
Senator Bennet. Nay.
The Clerk. Mr. Warner?
Senator Warner. Nay.
The Clerk. Mr. Whitehouse?
Senator Wyden. Nay by proxy.
The Clerk. Ms. Hassan?
Senator Hassan. Nay.
The Clerk. Ms. Cortez Masto?

Senator Cortez Masto. Nay.

The Clerk. Ms. Warren?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Sanders?

Senator Wyden. Nay by proxy.

The Clerk. Ms. Smith?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Luján?

Senator Luján. Nay.

The Clerk. Mr. Warnock?

Senator Warnock. Nay.

The Clerk. Mr. Welch?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Chairman?

The Chairman. Aye.

The Clerk will announce the vote.

The Clerk. Mr. Chairman, the final tally is 14 ayes and 13 nays.

The Chairman. The “ayes” have it. And the nomination is favorably reported.

Finally, I move that we favorably report the nomination of Andrew De Mello.

Senator Grassley. Seconded.

The Chairman. The Clerk will call the roll.

The Clerk. Mr. Grassley?

Senator Grassley. Aye.
The Clerk. Mr. Cornyn?
Senator Cornyn. Aye.
The Clerk. Mr. Thune?
Senator Thune. Aye.
The Clerk. Mr. Scott?
Senator Scott. Aye.
The Clerk. Mr. Cassidy?
Senator Cassidy. Aye.
The Clerk. Mr. Lankford?
Senator Lankford. Aye.
The Clerk. Mr. Daines?
Senator Daines. Aye.
The Clerk. Mr. Young?
Senator Young. Aye.
The Clerk. Mr. Barrasso?
Senator Barrasso. Aye.
The Clerk. Mr. Johnson?
Senator Johnson. Aye.
The Clerk. Mr. Tillis?
Senator Tillis. Aye.
The Clerk. Mrs. Blackburn?
Senator Blackburn. Aye.
The Clerk. Mr. Marshall?
Senator Marshall. Aye.

The Clerk. Mr. Wyden?
Senator Wyden. Nay.
The Clerk. Ms. Cantwell?
Senator Cantwell. Nay.
The Clerk. Mr. Bennet?
Senator Bennet. Nay.
The Clerk. Mr. Warner?
Senator Warner. Nay.
The Clerk. Mr. Whitehouse?
Senator Wyden. Nay by proxy.
The Clerk. Ms. Hassan?
Senator Hassan. Nay.
The Clerk. Ms. Cortez Masto?
Senator Cortez Masto. Nay.
The Clerk. Ms. Warren?
Senator Wyden. Nay by proxy.
The Clerk. Mr. Sanders?
Senator Wyden. Nay by proxy.
The Clerk. Ms. Smith?
Senator Wyden. Nay by proxy.
The Clerk. Mr. Luján?
Senator Luján. Nay.
The Clerk. Mr. Warnock?
Senator Warnock. Nay.
The Clerk. Mr. Welch?

Senator Wyden. Nay by proxy.

The Clerk. Mr. Chairman?

The Chairman. Aye.

The Clerk will announce the vote.

The Clerk. Mr. Chairman, the final tally is 14 ayes and 13 nays.

The Chairman. The “ayes” have it. And the nomination is favorably reported.

I thank my colleagues for their attendance. The committee stands adjourned.

[Whereupon, at 11:42 p.m., the meeting was concluded.]

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