



For Immediate Release
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**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding HHS, Treasury, CMS, and PBGC Nominations**

In the book of Deuteronomy, Moses instructed the 12 tribes of Israel how to choose officials. Moses told them to choose people who are “wise, understanding, and respected.”

Today we are here to consider the nominations of five people to become high officials in the Federal Government. We are here in the hope that the President has chosen people who are wise, understanding, and respected.

Before us today are the nominations of:

- Tevi Troy to be Deputy Secretary of Health and Human Services;
- David McCormick to be Under Secretary for International Affairs at the Treasury;
- Kerry Weems to be Administrator of the Centers for Medicare and Medicaid Services;
- Peter McCarthy to be Assistant Secretary for Management and Chief Financial Officer at the Treasury;
- And Charles Millard to be Director of the Pension Benefit Guaranty Corporation.

First, the Department of Health and Human Services is the largest non-defense agency in the Federal Government. Administering such a large organization, with such a wide variety of issues, is a huge responsibility.

Tevi Troy is the nominee to be the Deputy Secretary — the number two man — at HHS. Dr. Troy will have his hands full helping Secretary Leavitt to run the department that is home to CMS, FDA, CDC, NIH, ACF, and probably a host of other three-letter acronyms.

I expect Dr. Troy to be impartial and put politics aside. He must make the right decisions — not just the politically popular ones. Americans will be counting on him to help keep them healthy.

Second, the Undersecretary for International Affairs at the Treasury is an important position with responsibilities for many issues under this Committee’s jurisdiction. Mr. McCormick has an impressive background and comes highly recommended.

Two issues of are of critical importance. This committee has been very concerned about China’s undervalued currency. We are concerned that current law may not adequately address the relationship between fundamentally misaligned exchange rates and trade flows.

That is why I introduced landmark currency legislation with Senators Grassley, Schumer, and Graham last month. This committee will act on that legislation tomorrow.

The Undersecretary will also have oversight over sanctions. I've long been frustrated by the lopsided focus of the Office of Foreign Assets Control's on Cuba. That office should have been focusing critical resources on sanctions against Iran. It should have been rooting out funding for terrorists.

I recently introduced legislation on Cuba trade, along with Senator Crapo and six other Finance Committee Members. We need to get beyond counterproductive ideology. We need to do what's right for America's agriculture producers.

Third, Mr. Weems has been nominated to be Administrator of the Centers for Medicare and Medicaid Services — known as CMS. CMS is the agency within HHS that administers Medicare, Medicaid, and CHIP.

That means that CMS is responsible to more than 85 million beneficiaries who rely on the agency for their healthcare. The CMS Administrator is in charge of some of the most complex programs in our government. These programs make a huge difference in people's lives every day.

I am counting on Mr. Weems to be fair and even-handed. I do not believe that CMS has been putting beneficiaries' needs first recently. And that has to change.

HHS in general — and CMS in particular — have a duty to provide services to our country in a non-partisan way. The programs within HHS are not political tools to be used at the whim of the Administration.

Fourth is the Assistant Secretary for management at Treasury. Mr. McCarthy is well qualified to oversee the budget of all of the Treasury's offices and bureaus. His whole career has been devoted to managing the operations of large financial services organizations and their components.

The Department of Treasury includes the Internal Revenue Service and the Office of Tax Policy. And so, the Assistant Secretary for Management has responsibility for developing the IRS budget and overseeing IRS operations.

Mr. McCarthy will thus have a role in taking on the \$345 billion annual tax gap. I expect Mr. McCarthy to fight to ensure that the budget provides the IRS with the tools and resources that it needs. I expect him to work to ensure that the IRS can provide top quality taxpayer service and fair enforcement.

I expect him to be a hands-on leader who will support a credible and comprehensive plan to reach 90 percent voluntary compliance by 2017. I appreciate that Mr. McCarthy has agreed to take on this challenge. And I am looking forward to hearing his ideas to improve tax administration.

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Finally, Mr. Millard is the first nominee for PBGC Director to be subject to Senate confirmation. Last year, Congress upgraded the position to a Presidential appointment subject to Senate confirmation. We made it one of the few positions in government subject to confirmation by two committees — this committee and the HELP Committee.

The position's new status is recognition of how important we consider people's pensions. Both committees are concerned about the financial health of PBGC and the defined benefit pension system. I applaud Mr. Millard's willingness to take on this difficult position.

I look forward to hearing from all of the nominees. I wish them all good luck. And I hope that by their actions in their jobs, they all prove themselves to be wise, understanding, and respected.

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