



Committee On Finance

Max Baucus, Ranking Member

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**Statement of U.S. Senator Max Baucus
Finance Committee Markup of the Chairman's Revision to the
Elder Justice Bill, S. 333 and the Nomination of Joey Russell George for Treasury
Inspector General for Tax Administration**

“Thank you, Mr. Chairman, for holding this markup. And thank you, Senator Breaux, for your leadership and advocacy on the issue of elder justice. I am glad to see this legislation, the Elder Justice Act, come before the Finance Committee. In June 2002, when I was Chairman, I convened a hearing on this important topic. Elder mistreatment is a tragic problem. Like child abuse and domestic violence, it requires a coordinated response from public health, social services, and law enforcement.

Elder abuse, neglect, and exploitation cause great suffering among our senior citizens. Elder mistreatment pulls at the hearts of all of us who understand the vulnerability that may come with advancing age. It is time that we do something about it. The Elder Justice Act will improve our ability to identify, prevent, and intervene in elder mistreatment. Doing so becomes more and more critical as our society ages. The Chairman's mark will establish federal leadership and resources to assist in the fight against elder mistreatment. It will implement strategies for preventing that mistreatment. And it will increase security, collaboration, and consumer information in long-term care.

In addition to the markup on Elder Justice, we are also here to vote on a nominee today. The administration has nominated Russell George to be the Treasury Inspector General for Tax Administration. This is an extremely important position. This Inspector General's office has more than 900 employees and oversees the revenue collection responsibilities of the federal government.

Our voluntary tax system faces enormous and unprecedented problems:

- There is a \$311 billion annual tax gap.
- Sophisticated shelter promoters proliferate.
- In some cases, even federal agencies are enabling tax avoidance.

The next Inspector General for Tax Administration will need to butt heads with powerful figures to get the tax administration arm of the federal government moving again. The IRS has spent several years, and billions of dollars attempting to upgrade their antiquated technology – to no avail. Morale is low, following the 1998 IRS restructuring. Aggressive pursuit of tax cheats is down. And there is no coordinated Treasury-IRS long-term strategy to fight the growing problem of tax abuse and avoidance. No goals, no benchmarks.

I explained to Mr. George at his hearing that I had concerns about his nomination. I am concerned that he will not be tough or independent enough to do the job that needs to be done. When one party controls every branch of government, it is critical that we have strong, independent watchdogs in agencies to protect against waste, fraud, and abuse. We need inspectors general who will call things as they see them, without regard to politics.

Mr. George has promised me personally that he will make it his mission to prove my concerns to be unwarranted. I hope that is the case. I will vote for Mr. George today, but in doing so, I will take him at his word. Mr. George will be hearing from me if he does not keep his promise. I wish him luck.

Before observers conclude that this markup is the last train leaving the Finance Committee, I want to note that I and many of my colleagues also look forward to resolving some of the committee's other outstanding issues, such as QI-1s and CHIP redistribution. The Chairman and I are talking about how best to handle those issues. And I look forward to resolving them in the coming days.

Thank you, Mr. Chairman, for holding this markup. Thank you to my Finance Committee colleagues for allowing this markup to go forward. I recognize that this is no easy feat as we approach the end of the session in an election year. And congratulations, Senator Breaux, for helping to bring us to this day.”

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