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Opening Statement of U.S. Senator Max Baucus (D-Mont.)
Treasury and IRS Oversight Board Nominations
Hearing before the Senate Finance Committee

At the Federal Convention of 1787, Alexander Hamilton said: "Real liberty is neither found in despotism or the extremes of democracy, but in moderate governments." We meet today to consider nominees for the Department that Hamilton once headed, the Department of the Treasury, and the IRS Oversight Board. In the times in which we now live, and in our newly divided government, these nominees -- and we here -- will need to bring new meaning to that idea of "moderate government."

The nominees before us today bring extensive experience and knowledge to their positions. The President has nominated Michele Davis to be Treasury Assistant Secretary for Public Affairs, Robert Hoyt to be Treasury General Counsel, and Paul Cherecwich Jr. and Deborah Wince-Smith to be Members of the IRS Oversight Board. I want to welcome the nominees to the Finance Committee.

Michele Davis is certainly qualified for the job to which she has been nominated. Ms. Davis has already served for 2 years as Treasury's Assistant Secretary for Public Affairs, before she left to work in the private sector, and then as Deputy National Security Advisor for Communications. Ms. Davis will bring these experiences, along with her Congressional experience and skills in communications, back to her old job as Assistant Secretary for Public Affairs. Ms. Davis, I look forward to your using your position as Assistant Secretary for Public Affairs to elevate awareness of the tax gap problem that we currently face.

The President nominated Robert Hoyt to be Treasury's top lawyer. He will oversee more than two thousand attorneys and sixteen hundred support staff. This is a job with great responsibility. And Mr. Hoyt's years in private practice, as well as his current job as Associate Counsel to the President, make him well qualified for this position.

The President nominated Paul Cherecwich Jr. and Deborah Wince-Smith to be Members of the IRS Oversight Board. The IRS Oversight Board serves an important function. The Board oversees the Internal Revenue Service in its administration, execution, and application of the tax laws.

Both Mr. Cherecwich and Ms. Wince-Smith will bring years of advisory experience to the IRS Oversight Board. Mr. Cherecwich was the Chair of the IRS Advisory Council in 2002 and a member in 2001. He is also the former International President of the Tax Executives Institute.

Ms. Wince-Smith has served on the boards of director of several high technology companies and various organizations. Ms. Wince-Smith currently is the President of the Council on Competitiveness. And she previously served as Assistant Secretary for Technology Policy in the Department of Commerce.

At its meeting September 27 and 28, the IRS Board discussed with the Treasury the department's recently-released document on the tax gap. The Treasury plan included many of the Board's recommendations made before the Senate Finance Committee in July 2006 and in its fiscal year 2007 budget recommendations. Mr. Cherecwich and Ms. Wince-Smith, I will be looking for you to be willing to be independent and confront the IRS Commissioner and the Secretary of Treasury on the tax gap and other issues.

On the south side of Treasury Building stands a statue of Alexander Hamilton. Hamilton's image, and his admonition to moderate government, would be well for our nominees to remember in their new roles at the Treasury and the IRS Board. We will look forward to working with the nominees, and to implementing that moderation.

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