

**NOMINATIONS OF JOSEPH ROBERT GOEKE, GLEN  
L. BOWER, DANIEL PEARSON, CHARLOTTE R.  
LANE, AND RAYMOND T. WAGNER**

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**HEARING**

BEFORE THE

**COMMITTEE ON FINANCE  
UNITED STATES SENATE**

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF

JOSEPH ROBERT GOEKE, TO BE A JUDGE OF THE U.S. TAX COURT;  
GLEN L. BOWER, TO BE A JUDGE OF THE U.S. TAX COURT; DANIEL  
PEARSON, TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE  
COMMISSION; CHARLOTTE R. LANE, TO BE A MEMBER OF THE U.S.  
INTERNATIONAL TRADE COMMISSION; AND RAYMOND T. WAGNER,  
JR., TO BE A MEMBER OF THE DEPARTMENT OF THE TREASURY  
OVERSIGHT BOARD

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FEBRUARY 12, 2003  
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OVERSIGHT BOARD**

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**WEDNESDAY, FEBRUARY 12, 2003**

U.S. SENATE,  
COMMITTEE ON FINANCE,  
*Washington, DC.*

The hearing was convened, pursuant to notice, at 12:02 p.m., in room 215, Dirksen Senate Office Building, Hon. Charles E. Grassley (chairman of the committee) presiding.

Also present: Senator Baucus.

**OPENING STATEMENT OF HON. CHARLES E. GRASSLEY, A U.S.  
SENATOR FROM IOWA, CHAIRMAN, COMMITTEE ON FINANCE**

The CHAIRMAN. It is my pleasure for the committee, and Senator Baucus, to welcome several nominees for different agencies. Obviously, we welcome Dan Pearson and Charlotte Lane, the President's appointees to the International Trade Commission; two nominees to the U.S. Tax Court, Mr. Joseph Goeke and Mr. Glen Bower; and then Mr. Raymond Wagner, to be a Member of the Department of Treasury Oversight Board.

The International Trade Commission is an independent, non-partisan, quasi-judicial Federal agency that provides trade expertise to both the legislative and executive branches of government, determining the impact of imports on U.S. industries, and then directs actions against certain unfair trade practices such as patents, trademarks, and copyright infringement.

The work of the International Trade Commission, I believe, is critical to the proper functioning of our trade policy. That is why the people who serve on the ITC must not only have strong understanding of international trade, but must also be impartial in their

application of our trade laws. I trust both candidates will meet that test.

I am especially pleased to welcome the nomination of Dan Pearson, and will give an explanation that Ms. Lane has heard me make as she was up before us a year ago. Over 1 year ago, Senator Graham of Florida and I, along with other colleagues, sent a letter to the administration asking that the next International Trade nominee have a strong background in agricultural trade.

Mr. Pearson is trained as an agricultural economist, but he also brings with him extensive analytical skills and a strong understanding of international trade in general. These skills should aid him in his work as an ITC Commissioner.

Dan Pearson is highly respected in the agricultural community, as evidenced by a letter I received in August, 2002 from 16 agriculture groups.

I would quote, "We believe that Dan's years as a farmer, coupled with his long legislative and corporate experience in international agricultural trade issues, make him an idea candidate to serve on the ITC as he grapples with future agricultural trade issues.

We support his candidacy wholeheartedly, and urge members of the Senate to expeditiously approve his nomination as commissioner on the ITC."

So, for a second time, I can say I am pleased to welcome Charlotte Lane back to the Finance Committee. Ms. Lane has a long and distinguished record of public service. Her commitment to public service is well documented, having served the people of West Virginia as a member of the House of Delegates, a public service commissioner, and most recently as chairman of the Public Service Commission.

Ms. Lane knows, as she gave me a picture with her father on her family farm, so I know she has a background in farming. I want you to know, until 2 days ago, that picture was on my desk. I just now put it in a drawer in the credenza behind. I wrote on there who you are, what it is about, it was your father, it was on your family's farm. I will treasure that picture.

Ms. LANE. Thank you.

The CHAIRMAN. I admire her record of public service and appreciate her enthusiasm to continue that work here in Washington. I also appreciate her patience in this process. I am hopeful that both of these nominations then, now that we have got the two moving together, will move through the Senate quickly.

I would like to make just a couple of comments about the vacancy of the U.S. Tax Court. Both candidates hail from Illinois, both have credentials that make them well-qualified for the bench. I am pleased to see both of these candidates here before the committee.

I think that Mr. Goeke's experience, both in and out of government service, will aid him in that position on the bench. Thirteen years of various trial attorney roles for the IRS is nicely balanced by 13 years of private practice. I trust that his accumulated wisdom will help him in that adjudicatory position he takes.

He will be joined by Glen Bower, whom my wife and I have had the pleasure of knowing for many years. Glen brings rich tax administration experience with him to the bench, having served 11

years as either director, assistant director, or general counsel of the Illinois Department of Revenue.

He also brings with him many years of adjudication experience, both as chairs of the U.S. Railroad Retirement Board and as chair or member of the Illinois Board of Appeals. He is highly regarded by his peers and brings useful and relevant experience with him to the bench.

So, I thank both of you gentlemen for your desire for public service, and also for what public service you have done.

Then there is a vacancy on the IRS Oversight Board. Having served on the Restructuring Commission that has brought about this board, as well as some changes in IRS, I take a lot of interest in who serves on this. I think Mr. Wagner is well-credentialed. Obviously, his education and professional experience, both private sector and public service, are impressive.

I am hopeful that Mr. Wagner's experience will benefit the board. His firsthand experience with the challenge of administering the Tax Code is balanced by his corporate experience with the challenges of complying with the very same Tax Code.

Further, Mr. Wagner also doubles the number of what I call "west of the Alleghenies" perspective on the board. Let me say that most of the people are right on the eastern seaboard. I believe there is one person over in California.

All of the United States, from the Alleghenies to the Rockies, has been represented by Chuck Colbey of Iowa. So, I welcome you to help represent that part of the country. Not that there is a geographical requirement, but at least somebody in the Midwest ought to have somebody understanding what Midwest thinking is.

The purpose of the Oversight Board is to independently oversee IRS's management, administration, and conduct. I worry that the board, particularly under its current leadership, forgets mission.

I worry that the board forgets that its role is not to echo IRS management, not obscure, obfuscate, or otherwise provide cover for IRS actions, but to keep a watchful eye on a very powerful and very important Federal agency.

Again, I welcome all of you here, and I would ask Senator Baucus for any comments he has.

**OPENING STATEMENT OF HON. MAX BAUCUS, A U.S. SENATOR  
FROM MONTANA**

Senator BAUCUS. Thank you, Mr. Chairman.

I join the Chairman in welcoming all of you. You are going to participate in something which is very meaningful. It is public service. I believe there is no higher calling, frankly, than service, generally.

For some, it is service to church and community, for others, it is public service. Each view wants to clearly serve our country in the various capacities that you will be representing, and I thank you very much. I know the American people do, too.

It means a lot of sacrifice, as you well know, and sacrifice for families. I am glad that you are here with your families. I know your families know all the work that is involved here, the long hours, sometimes when you get called away to do this or that. I know they share in that joint effort and service with all of you.

I also want to say that I know—and you know this—it is very important that you honor the trust that has been given you by being totally above board, very judicious, impartial, fair, transparent.

Just set a very good, high example for the people that you work with, the people that will come before you as lawyers or practitioners, or in whatever capacity. I know you will do that.

I just think it is important for all of us, from time to time, to remind ourselves of the importance of this calling and the extra, higher standards that it requires of all of us. That is as true for the ITC commissioners as it is for the Tax Court, as well as for the Oversight Board.

Two of you who have been nominated for the International Trade Commission, I would just like to remind us that the commission is in the front line of the fight against unfair trade practices. This is a very competitive world, as we all know.

In my judgment, it is getting even more competitive, which requires all of us to think even more deeply, more clearly, and sometimes more aggressively to enforce our trade laws.

I think that vigorous enforcement of our antidumping and countervailing duty laws that safeguard, and other U.S. trade laws, are critical to rebuilding and maintaining the public consensus in this country of favoring trade liberalization.

That is, we have to enforce the laws if the American public is going to buy in, or have confidence in, or believe in a more free trade atmosphere, which I think basically helps our country dramatically.

The Chairman of the committee made an important point with respect to the Oversight Board. I do not know if this is totally analogous, but I think very often, we have seen in the last several years, that many boards of directors have not as vigorously overseen their companies as they should.

Sometimes they give lip service. Sometimes they just collect the fee. They travel. Board members travel to the site where the board of directors is meeting and do not really dig down and do what boards are supposed to do.

I urge you, Mr. Wagner, in this new capacity, to be vigorous. Chairman Grassley made a very good point. Everybody needs somebody to kind of watch over him or her. Everybody needs somebody to kind of help each of us toe the line. Those of us who have run for office have our employers, our voters, who we answer to.

I think, because we are elected, that really helps us, properly, to stay on our toes. It is up to you, Mr. Wagner, to make sure that the IRS is on its toes, too. Now, you will have a new commissioner soon. There are huge challenges facing the commission. Huge. All the under-reporting, all the abuse that exists.

You know the estimates as much as I as to how much is not collected that should be collected. I need not tell you, but if we do a better job with enforcement, the American public is going to have more confidence in the system.

Now, a lot of that is resources. The IRS needs the resources to get the job done, as does the International Trade Commission, and I would guess the Tax Court, too. But I just want to congratulate you and thank you for the service you are performing.



Ms. Lane, Senator Rockefeller deeply regrets he cannot be here. He personally told me to sort of mention that to you.

Ms. LANE. Thank you.

Senator BAUCUS. You are welcome. I will tell him that, too.

The CHAIRMAN. And he will not have to ask me any more when your nomination is coming up. He did that frequently.

Senator BAUCUS. And I hope this time we can get this done so you can be confirmed and be at your post doing what you are supposed to be doing.

Ms. LANE. Thank you.

Senator BAUCUS. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Baucus.

Mr. Wagner, let me say something to you that would not apply to the other four, because they are more removed from the Congressional process, I believe, at least oversight. I'm not saying it just to you, because you do not run the IRS, but you know you are overseeing. I would say this, maybe, to anybody in any department.

But one of the frustrations—I am sure that even Senator Baucus would share this frustration—is we write letters to departments and it just takes forever to get answers. Anything you can do to speed up answers would help us.

Now, we do not write letters except in our constitutional responsibility of oversight. Whether it is Montana or Iowa, we come from a part of the country where transparency is pretty important, where everybody is open. We expect Washington to operate the same way.

So, when you are sitting there and you are thinking about how the department is running, once in a while ask them if they have answered letters that members of Congress have sent to them.

Mr. WAGNER. I will, Senator.

The CHAIRMAN. Now, we go to your important role at this hearing, and that is for you to say anything you want to. But, first of all, let me assure you that any statements you want to make, as long as it might be, will be put in the record as you submit them. We would appreciate it if you would summarize.

The other thing is, you may get questions from people that are not here, or even from Senator Baucus and me, for answers in writing. Sometimes nominations are held up by people that are not even on a committee because questions are not answered.

So, it is pretty important that you try to get those questions answered. We will stick with the member to get the questions answered unless we think the member is asking the questions just to stall.

We cannot do anything about it if that is why they are doing it, but at least I am not going to demand answers to letters where people are not sincere in their questioning, as best I can determine that sincerity.

Then you are also welcome to introduce any supporters, family members, relatives, or just friends that you have here that you want us to know about.

So I am going to start, I think, with Mr. Goeke, then Mr. Bowers, Mr. Pearson, Ms. Lane, and then Mr. Wagner.

**STATEMENT OF JOSEPH ROBERT GOEKE, NOMINEE TO BE A  
JUDGE OF THE U.S. TAX COURT**

Mr. GOEKE. Mr. Chairman, Senator Baucus, and members of the committee, thank you for this opportunity to appear before the committee today regarding my nomination for the position of Judge of the U.S. Tax Court.

I am very appreciative and humbled that the President has presented my name to be of service to the country as a judge in the court that has been the focal point of my career for over 27 years.

I was born and raised in northern Kentucky, and received my undergraduate degree from Xavier University in Cincinnati, Ohio, my J.D. from the University of Kentucky College of Law in Lexington, Kentucky.

My first job as an attorney was with the Internal Revenue Service in New Orleans, Louisiana. I tried my first Tax Court case in October, 1975. From 1975 to 1988, I worked as a litigator for the Internal Revenue Service in New Orleans and Cincinnati. In 1988, I became a partner at Mayer, Brown & Platt, which is now Mayer, Brown, Roe, & Maw in Chicago, Illinois.

I practiced in the Federal controversy tax area. Since 1988, I have represented corporate clients before the Internal Revenue Service and in litigation.

Over the course of my career, I have tried over 50 Federal tax cases, ranging from very small-dollar individual tax cases to some of the largest corporate tax cases.

I have been very fortunate throughout my legal career to work with people who mentored me and helped me grow as an advocate and as a person.

I can remember, in 1975, thinking that becoming a judge on the U.S. Tax Court was an unattainable goal. But, through the help of many people and the grace of God, I was given opportunities to advance in the profession.

It is with a great deal of humility and appreciation for the Tax Court as an institution that I welcome the honor of serving the country as a judge on the court.

I was raised in a very patriotic family, and my father proudly served the country in combat in the Pacific in World War II.

I do not equate my situation to the level of sacrifice that my father, my father-in-law, and others have made, and continue to make, for our country. But their example will guide me as I attempt to be the best judge I can be for this country, and for the taxpayers of the Nation.

In addition to being very fortunate in my professional life, I have been blessed with a wonderful family. My wife Linda and my daughter Elizabeth are here today. My two sons, Robert and Ben, could not be here.

My children have been raised in Chicago, and they look at Chicago as their hometown. Nevertheless, they have been very supportive and flexible regarding the move of our family home which would result from my taking the position in the Tax Court in Washington. My wife, Linda, has also been fully supportive regarding the move and the related changes.

I am fortunate that my family realizes how important it is to me to pursue the opportunity to serve the country as a Tax Court

judge. I believe the Tax Court has an extremely important role in our Federal tax system, both for individuals and corporations.

I hope that the experience I have had in government and in private practice will give me the balance and objectivity necessary to fairly apply the Internal Revenue laws to all taxpayers.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

[The prepared statement of Mr. Goeke appears in the appendix.]

The CHAIRMAN. Mr. Bower?

**STATEMENT OF GLEN L. BOWER, NOMINEE TO BE A JUDGE OF  
THE U.S. TAX COURT**

Mr. BOWER. Thank you, Mr. Chairman, Senator Baucus, and members of the committee. I want to thank you for allowing me to appear before you today as you consider my nomination for the U.S. Tax Court.

It is an honor to appear before this committee as you consider my nomination on the 194th birthday of Illinois' greatest adopted son, Abraham Lincoln, and in a building named for one of Illinois' greatest native sons, Everett Dirksen.

I appeared before this committee in March of 2001 to discuss our experience in Illinois with the Illinois Earned Income Tax Credit and its relationship with the Federal Earned Income Credit.

I want to thank President Bush for nominating me to be a Judge of the Tax Court. I also want to thank the two Senators from my home State, Senator Richard Durbin and Senator Peter Fitzgerald, for their support of my nomination.

In addition, I want to thank Speaker Hastert and the other members of the Illinois Congressional delegation for their support.

Since graduating from law school, most of my professional life has been spent in public service. During most of my professional life, I have been working with our tax system at the local, State, and Federal levels.

I believe the diversity of the experience that I have acquired in my professional life has prepared me to be a Judge of the U.S. Tax Court.

That experience includes the private practice of law, serving as a county State's attorney where I was both the chief prosecutor and chief civil attorney, a member of the Illinois House of Representatives, assistant director and general counsel of the Illinois Department of Revenue, chairman and member of the Illinois Revenue Boards of Appeals, and chairman of the U.S. Railroad Retirement Board, and as a legal officer in the U.S. Air Force Reserve, the Judge Advocate General's Department.

I have experience as an adjudicator, a tax administrator, a sponsor of tax legislation, and as a practicing attorney. If confirmed by the Senate, I will do my very best to uphold the honor of the Tax Court and treat taxpayers and the government fairly and impartially, with respect and diligence.

I would be happy to answer any of your questions. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Bower.

[The prepared statement of Mr. Bower appears in the appendix.]

The CHAIRMAN. Now, Mr. Pearson?

**STATEMENT OF DANIEL PEARSON, NOMINEE TO BE A  
MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION**

Mr. PEARSON. Mr. Chairman, Ranking Member Baucus, I very much appreciate the opportunity to appear before you today.

First, I would like to thank Senators Dayton and Pullman for their support. If the hearing schedule had allowed, both of them had offered to be here for a personal introduction.

I would also like to offer thanks to your former colleague, Senator Boshowitz, for the confidence he showed in me during the 6 years that I worked for him. He taught me a great deal about the importance of public service and the process of governing.

Second, as a former Senate employee, it is a particular honor to be considered for confirmation by this body. Not many people have that opportunity. When I worked for Senator Boshowitz, I reviewed the papers of a number of nominees subject to confirmation, attended their hearings, then worked with them after their confirmations.

When I left the Senate 16 years ago, I never imagined that some day I would be back as a Presidential nominee. It, indeed, is an honor to be nominated by President Bush and to be considered for confirmation by the Senate.

Third, I appreciate the role of the International Trade Commission as an independent, nonpartisan, quasi-judicial, and fact-finding agency. Like any organization, I believe the ITC will operate most effectively if commissioners work together in a collegial and professional way.

I understand that this is the case at the commission and, if confirmed, I will do my best to continue in that tradition. In my view, a willingness to listen carefully to others' points of view and a professional approach to decision making can go a long way toward making an organization like the ITC run well.

Fourth, I recognize that there is a strong interest in having people on the commission who have a background and expertise in agriculture. It is true, I have been involved in agriculture throughout my career, either as a farmer or as an analyst of policies involving agriculture, food, or international trade.

It especially appreciate the support shown in the letter that you mentioned, Mr. Chairman, by the 16 farmer organizations on behalf of the nomination.

Even so, I recognize that a great deal of the work of the commission is focused on issues other than agriculture. I am confident that the breadth of my experience, both in government and the private sector, has prepared me for the rigorous intellectual demands required of a commissioner.

I pledge that, if confirmed, I will work diligently to apply the laws written by Congress, with integrity, in good faith, and in an objective and vigorous manner.

I recognize the seriousness of the commission's decisions and, if confirmed, will do my best to fulfill faithfully the important decision making responsibilities entrusted to a commissioner.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Pearson.

[The prepared statement of Mr. Pearson appears in the appendix.]

The CHAIRMAN. Besides Senator Rockefeller reminding me that you ought to be confirmed right away, your Congresswoman from West Virginia has called me many times asking when we were going to get your nomination up. Ms. Lane?

**STATEMENT OF CHARLOTTE R. LANE, NOMINEE TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION**

Ms. LANE. Thank you, Senator Grassley. I want to thank you and Ranking Member Senator Baucus for having this hearing this morning. I also want to thank Senator Rockefeller, Senator Byrd, and the President for supporting me in this important and exciting nomination.

Since I had my hearing in June of 2002 and my life has not changed much since then, I would like to resubmit the statement that I gave then and submit it for the record.

But, in summary, I would like to say that in my 31 years of practice of law, my years on the West Virginia Public Service Commission, and in the West Virginia legislature, have given me the opportunity and the ability to listen to complex issues, listen to all sides, and then apply the law. That is exactly what I promise to do in this job, if you will confirm me and give me that great honor.

I would also like to say that I have read some of the prior hearings, and I would like to tell Senator Baucus that I would come to Montana, and Senator Grassley, I will come to Iowa, and see what goes on in each of your States so that I can have a better understanding with my job at the International Trade Commission.

I would like to introduce my daughter, Anne Hatton Lane, who is in the back.

The CHAIRMAN. Stand, please.

Ms. LANE. She works for Congresswoman Capito.

The CHAIRMAN. Ms. Capito called me up.

Ms. LANE. And several other members of her staff are also here, my friends from West Virginia. I would also thank my friend, Beth Elkins, who is from West Virginia visiting here today also.

So, I want to thank all of you for this great honor and I will be glad to respond to any questions that you might have.

The CHAIRMAN. Thank you very much.

[The prepared statement of Ms. Lane appears in the appendix.]

The CHAIRMAN. Mr. Wagner?

**STATEMENT OF RAYMOND T. WAGNER, JR., NOMINEE TO BE A MEMBER OF THE DEPARTMENT OF TREASURY OVERSIGHT BOARD**

Mr. WAGNER. Thank you, Mr. Chairman, Senator Baucus, members of the committee. I am honored to appear before this committee today as you consider my nomination to become a member of the IRS Oversight Board.

I am pleased to have with me today my wife, Ann, seated behind me, and two of my three tax deductions, my 8-year-old daughter, Mary Ruth, and my 12-year-old son Steven. My eldest, 14-year-old son, Raymond, is unable to be here this afternoon as he recovers from some recent surgery.

I also have another friend with me, Mr. Bill Lundeen, who traveled today to be here, who served with me as chief legal counsel to the Illinois Department of Revenue when I served in Illinois.

Mr. Chairman, it is truly an honor to have been nominated by President Bush to serve as a member of the IRS Oversight Board. For the past nearly 8 years, I have worked at Enterprise Rent-A-Car, most recently as the legal and legislative vice president.

In addition, I serve as a municipal judge for my hometown of Ballwin, Missouri. For the past 10 years, I have served as an adjunct Professor of Law at Washington University School of Law in St. Louis, where I teach a course through the Master's Tax Law Program.

Prior to joining Enterprise Rent-A-Car, much of my career had been spent in the public sector, mostly in the tax administration field. I had the honor to serve as the Director of Revenue for the State of Illinois, as well as the Director of Revenue for the State of Missouri.

In addition, I was the General Counsel for the Missouri Department of Revenue. Other government service includes serving as law clerk to the Chief Justice of the Missouri Supreme Court, and Chief Legal Counsel to the Governor of Missouri.

I also spent a portion of my career in private law practice where I was a business lawyer, representing numerous large and small business clients.

I welcome the opportunity to use my extensive experiences in the private and public sector to address the wide array of issues facing the IRS. Enterprise Rent-A-Car, as you may know, has grown to become the number-one rental car company in North America, based in large part upon its founding value of customer service.

I know firsthand the positive impact of superior customer service from a large organization. I will be ever mindful of the priority that this committee placed upon customer service when it established the mandates of the IRS Restructuring and Reform Act of 1998.

Mr. Chairman, while high-quality customer service should be of paramount importance to any government agency, most particularly the Internal Revenue Service, efficient and effective tax administration demands much more. Customer service must be balanced with the duty and task of the IRS to efficiently collect the taxes owed.

The mission of the Illinois Department of Revenue, which we rewrote during my tenure, might be exemplify my philosophy: professional service, fair enforcement. Through the valuable work of this committee in passing the Restructuring and Reform Act, the IRS has been given a clear charge for what must be done to serve the American public.

By most accounts, the IRS and its fine employees have successfully embarked on a plan to reform and modernize the IRS. The commitment to change and the work of the very capable members of the current Oversight Board are impressive.

I pledge to do all that I can to ensure that the IRS Oversight Board continues to earn the confidence of this committee and the American public as the Service works to fulfill its mission that you established.

I made a note of the point that you made, Mr. Chairman, and I will attend to that as well, if confirmed.

Mr. Chairman, I am keenly aware of the critical importance of this independent board for all of the American people. If confirmed as a member of the IRS Oversight Board, I will be committed to using my knowledge of the law, tax law, tax administration, customer service, and general business knowledge to achieve the objectives for the board as set out in the Restructuring and Reform Act.

Thank you, Mr. Chairman. I would be pleased to answer any questions that you or Senator Baucus may have.

The CHAIRMAN. Mr. Wagner, you realize, if you had given your speech at the St. Louis Lion's Club you would have been penalized for your advertisement for Enterprise. [Laughter.]

[The prepared statement of Mr. Wagner appears in the appendix.]

The CHAIRMAN. I have three questions that you will all have to answer. Then I am going to turn to Senator Baucus. These are standard questions that we ask every nominee.

Is there anything you are aware of in your background that might present a conflict of interest with the duties of the office to which you have been nominated?

Mr. Goeke?

Mr. GOEKE. No, Mr. Chairman.

The CHAIRMAN. Mr. Bower?

Mr. BOWER. No, Mr. Chairman.

The CHAIRMAN. Mr. Pearson?

Mr. PEARSON. No, Mr. Chairman.

The CHAIRMAN. Ms. Lane?

Ms. LANE. No, Mr. Chairman.

The CHAIRMAN. And Mr. Wagner?

Mr. WAGNER. No, Mr. Chairman.

The CHAIRMAN. Number two, do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Mr. Goeke?

Mr. GOEKE. No, Mr. Chairman.

The CHAIRMAN. Mr. Bower?

Mr. BOWER. No, Mr. Chairman.

The CHAIRMAN. Mr. Pearson?

Mr. PEARSON. No, Mr. Chairman.

The CHAIRMAN. Ms. Lane?

Ms. LANE. No, Mr. Chairman.

The CHAIRMAN. Mr. Wagner?

Mr. WAGNER. No, Mr. Chairman.

The CHAIRMAN. Third, and last, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly-constituted committee of Congress, if you are confirmed?

Mr. Goeke?

Mr. GOEKE. Yes, Mr. Chairman, I agree.

The CHAIRMAN. Mr. Bower?

Mr. BOWER. Yes, Mr. Chairman.

The CHAIRMAN. Mr. Pearson?

Mr. PEARSON. Yes, Mr. Chairman.

The CHAIRMAN. Ms. Lane?

Ms. LANE. Yes, sir.

The CHAIRMAN. Mr. Wagner?

Mr. WAGNER. Yes, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Baucus?

Senator BAUCUS. Thank you, Mr. Chairman.

I would like to ask Mr. Bower and Mr. Goeke about these reports in the press about law firms, particularly in accounting firms, selling tax shelters, and first asking their clients to sign a non-disclosure form before even proceeding with the tax avoidance/tax shelter advice that they are giving their clients, and charging fees in very high amounts, shelters which, in fact, the IRS is now looking into and believe to be not proper, after all.

Just your comments, first, Mr. Goeke, on this practice, and what can be done to stop it.

Mr. GOEKE. Senator Baucus, it obviously is a serious problem. It is a major concern. It is tied to, I think, any responsible practitioner's concerns with the manipulation of the tax system improperly. As to what can be done about it, I think that there are proposals pending to address these problems.

There is already in place legislation, and I think regulations are being drafted, and have previously been drafted and are in place, relative to reporting requirements and other requirements of people who promote tax shelters.

I think the effective enforcement of those rules and whatever is necessary to make those rules effective is paramount in helping the system identify those problems and assisting the Internal Revenue Service in auditing those issues without any preconceived notions on my part or the Internal Revenue Service's part, really, as to the viability of those transactions.

Just having the Internal Revenue Service have the awareness of the transactions is important and I think will have a chilling effect upon people who would enter into any improper transactions.

Senator BAUCUS. I appreciate that.

Mr. Bower?

Mr. BOWER. Senator Baucus, as you may be aware, those States that have State income tax have been asked by the Internal Revenue Service to work with them on the concern about tax shelters. It is a major undertaking. There have been several preliminary discussions and it would take a great deal of resources on the part of most States.

But, obviously, an impact at the Federal level in most State income tax systems, like Illinois, has a trickle-down effect as to what the revenue losses are to the State. It is a serious problem. It is difficult to speculate as to what the solutions are. But the Tax Court, of course, over the years has handled many tax shelter cases.

Senator BAUCUS. Right. What can you point to in the past that demonstrates to people that you are going to be fair and impartial? That is, not be vindictive, not have a grudge against a person or an entity, but be totally fair and impartial? What can you point to in the past that gives us comfort and confidence that you will be that way as a judge?



Mr. BOWER. I believe most of my career, where we have tried to treat taxpayers fairly. One of my concerns when I was director, is that the taxpayers should not be presumed to be the enemy, but should be given a fair hearing.

One of the things that I established when I became director was the creation of an advisory commission to consider the various rules and regulations that the department considered, and to get input from. Many had been pending for a number of years. With the input of taxpayer groups, we were able to resolve those.

Senator BAUCUS. Anything else that you can show that you are going to be impartial and fair, demonstrate something in your background?

Mr. BOWER. I think I have a reputation for that.

Senator BAUCUS. Besides reputation. Anything in particular? Any instance, any example, event?

Mr. BOWER. In my public positions, we have tried to, I think, consistently treat those who came before our agencies and our employees fairly.

Senator BAUCUS. All right. I raise it, because there has been some concern on that subject. I would just urge you to go the extra mile, and just go back and reflect upon your past and what you have done and not done so you will be totally impartial.

Ms. Lane and Mr. Pearson—I guess, particularly you, Mr. Pearson—you know the question I am going to ask. Basically, you wrote an article in the Cargill Bulletin in April of 2000. You wrote, “Indifference to liberalizing trade with Chile is symptomatic of the broader malaise currently affecting U.S. trade policy.”

You also pointed out that the United States leads in the use of antidumping measures against imported products, saying that by the end of 1995 we had 294 such measures in effect, twice the number of any other country.

One could look at that and think that, particularly given your position as working for Cargill, an international trading company, and also that statement by itself, that you are not as sympathetic to U.S. antidumping and countervailing laws as one might hope. Your view?

Mr. PEARSON. The question does not surprise me, Senator. As I indicated in my response to the questions, I basically wrote these answers on a plane on Sunday, flying to California where I had to be for a meeting. I did not have the article with me at the time.

I still have not seen it, because I got back quite late last night. It is in my office, and I have not yet been there. So I was giving an answer to the question without being able to put it in the full context of the article.

Having said that, the agricultural community in the United States really has been hurt a great deal by trade restrictions of various sorts that other countries have imposed on us.

Most of them have nothing to do with trade remedy law here. We are talking phytosanitary barriers or restrictive application of tariff rate quotas, that sort of thing.

My work at Cargill has not been focused on trade remedy, but rather it has been focused on trying to find ways to increase market access for U.S. agricultural exports to other countries.

So what I wrote in April of 2000 was really reflecting a concern that, you look in the United States, you look around the world. Are we losing a consensus to try to move further toward liberalization? Keep in mind, this was shortly after the Seattle ministerial. In that context, I think that my remarks are reasonable.

Senator BAUCUS. Has the United States or the ITC taken any actions with respect to countervailing or antidumping that you disagree with in the last 10 years?

Mr. PEARSON. I am not sufficiently familiar with any case to say that I would disagree with it. I note that there have been some cases that have been overturned or have been challenged in the WTO, so there are some disputes out there in terms of whether the U.S. law was applied in a way that conforms with the international obligations.

Senator BAUCUS. I just want to make a point here. Those laws are there for a purpose. The purpose, is to make sure that, as much as we can, we do have a level playing field. Other countries, barriers to trade are greater than American barriers to trade.

We do not wear a white hat. We are not Simon Pure. Other countries, Japan, Europe, do not wear black hats. They are not Darth Vaders. However, the shade of gray of their hats is a lot darker than the shade of gray of ours. That is why we have our trade laws, is to try to even things out.

That is, when companies do dump, when they do subsidize, it becomes necessary for us to stand up and not be taken advantage of. I think, much too often, too many Americans forget that.

They just look at, gee, is enforcing this law going to have an adverse effect maybe on consumer prices? That is not the test, adverse effect on prices in the U.S. That is not the test. The test is whether the company is dumping, or subsidizing, or whatnot.

I am going to be watching closely. This committee has had a good relationship with the International Trade Commission over the years. It is almost a function of this committee and of the Congress.

I just urge you to remember that there are a lot of Americans, a lot of businesses in America, sometimes they are small people, that is, do not have big business, who are just drastically hurt by foreign countries who do unfairly take advantage of the United States.

So the goal is not to cater to interest groups in the United States that pressure to get all these imports in, but rather to uphold the law. The more you give in to these improper demands, more Americans are going to have less respect for the rule of law and less respect for free trade.

It is a paradox. But the more you enforce these laws, the more I think you are going to get more Americans believing in free trade. I just urge you very strongly to make sure you enforce these laws.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

We do not always agree on trade, but he does remind me of something that I want to follow up on. That is just simply that there seems to be a losing of patience of the American people on trade issues that was kind of assumed, and now you have to really fight for free trade issues.

So, he is expressing a frustration that the American people have, that maybe we have not done a good enough job of educating. But, also, there is a pain felt by people out there, that maybe the United States has bent over backwards long enough, I guess is the way I would express it. I am not disagreeing with anything you said. I am just expressing it in another way.

I have one question of the tax people, but it is not meant to get into anything like you would be deciding a case. I do not want you to tell me how you might rule on a particular case. That would not be right for me to do that. It is kind of a reaction sort of thing I want you to give.

But before I do that, another thing that Senator Baucus said in asking Mr. Bower a question reminds me of something I ought to bring up with Mr. Wagner in a very generic way, and not wanting a response.

But, again, getting back to the work of the Restructuring Commission, one of my goals in working on that commission, and one of the goals that is still unfilled by the IRS and may be a little naive in my saying it and may not be the real world when it comes to collecting taxes, but it deals with the issue of fairness.

I want for the IRS to develop into a consumer-friendly organization, that people do not fear talking to people from the IRS.

Now, to Mr. Goeke and Mr. Bower. You both bring a great deal of experience to your appointed place. Tomorrow, where you are sitting, we will have people from the Joint Tax Committee sitting. They are going to give us a report on Enron. They have had a year to look at Enron tax forms.

I, of course, at this point, under agreement with the Enron lawyers, have not been fully briefed. But I have been somewhat informed by Finance Committee staff that the report we are going to receive tomorrow is an absolute barn-burner.

In addition to an eye-popping account of executive compensation, the report provides, for the first time, a complete story on the Enron efforts to manipulate its taxes and accounting.

I think we are going to find, tomorrow, the report very disturbing in its findings. It is in this environment that I would like your views on how tax courts should approach these complex and highly artful interpretations of the Code as a case comes before you. I am talking, in a generic way.

Mr. Goeke?

Mr. GOEKE. Mr. Chairman, in any litigation it is important that the factual record fairly represent the transaction. Trials are all about trying to depict what has happened before and what the facts were before. The more accurately they do that, the more fair they are and the better chance the court has of achieving justice.

Obviously, that becomes very important in complex corporate transactions. It becomes very difficult as well. The Tax Court, in my experience, has experience dealing with those kinds of problems, and also has experience helping the parties fully develop the record for those kinds of cases.

In a corporate type of piece of litigation, a piece of complex corporate litigation, it is important to go about it in a systematic, organized way in helping the parties develop the full factual record, and presenting that record in an organized way.

The problem, I think, with complex transactions, is that they may confuse people. They confuse even the court. That is why it is important to have a systematic, organized way of developing the facts in a complex case like that.

The Tax Court's rules are very helpful in that there is a requirement for full stipulation of facts by the parties, which, in conjunction with discovery rules, puts the onus on the parties in a piece of Tax Court litigation to fully develop the record for the court.

The court, in big cases, is not reluctant to monitor that process as it unveils. And it can take months, and even years, for that to unveil in a big piece of corporate litigation. Stipulations can be filed periodically to make sure that the facts are being developed and fully presented to the court.

In my experience, that can be successful. Generally, the litigants in the Tax Court appreciate the significance of those rules. The court has been ruthless in applying those rules requiring stipulation and helping the parties develop the case.

The Tax Court issues involve one party that is always the Internal Revenue Service, and that party generally is the party that seeks facts. It is not always the case. Taxpayers also seek facts from the Internal Revenue Service. But in the kind of litigation you are talking about, the predominant amount of the discovery would come from the Internal Revenue Service.

I think the Internal Revenue Service has ample tools, both in the administrative body of law and in the Tax Court's rules and procedures, to develop the case.

The question is, doing that development in an organized way that fairly presents the facts to the court. I think the court has experience doing that. In my personal experience in trying big, corporate pieces of litigation, it has been successful.

I think the court's records are generally complete and full relative to the factual development. It may take some time, but a systematic approach is viable and is supported by the court's rules.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Bower, you might want to add anything. I doubt if there is anything that was said you disagree with.

Mr. BOWER. No. I would agree with Mr. Goeke. I think the Tax Court has a long history and tradition of the ability to successfully handle very complex corporate tax cases. The rules of procedure and the practices of the court have been developed over the years, which certainly allow the court to handle these, and cases like them, in the future.

The CHAIRMAN. Mr. Pearson, Ms. Lane, I am not going to ask you any questions. I may have some in writing, but probably not. I appreciate very much all of your testimony.

I congratulate you, obviously, on your respective appointments, and once again state an admonition that, if there are any questions that you are given, or if you are asked to appear before members, I would advise you to do it and answer the questions appropriately. Thank you.

[Whereupon, at 12:53 p.m., the hearing was concluded.]

## APPENDIX

### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

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#### PREPARED STATEMENT OF GLEN L. BOWER

Mr. Chairman, Senator Baucus, and Members of the Committee: I want to thank you for allowing me to appear before you today as you consider my nomination to be a Judge of the United States Tax Court.

Mr. Chairman, it is an honor to appear before this Committee, as you consider my nomination, on the 194th birthday of Illinois' greatest adopted son, Abraham Lincoln, and in a building named for one of Illinois' greatest native sons, Everett McKinley Dirksen.

I was invited to appear before this Committee in March 2001 to discuss our experience in Illinois with the Illinois Earned Income Tax Credit and its relationship with the Federal Earned Income Credit.

I want to thank President Bush for nominating me to be a Judge of the U.S. Tax Court.

I also want to thank the two Senators from my home state, Senator Richard Durbin and Senator Peter Fitzgerald for their support of my nomination. In addition, I want to thank Speaker Hastert and other Members of the Illinois Congressional Delegation for their support.

Since graduating from law school, most of my professional life has been spent in public service, and during most of my professional life, I have been working with our tax system at the local, state and Federal levels.

I believe the diversity of experience I have acquired in my professional life has prepared me to be a Judge of the United States Tax Court. That experience includes the private practice of law, serving as a county State's Attorney (chief prosecutor and civil attorney), Member of the Illinois House of Representatives, Director, Assistant Director and General Counsel of the Illinois Department of Revenue, Chairman and Member of the Illinois Revenue Board of Appeals, Chairman of the U.S. Railroad Retirement Board, and legal officer in the U.S. Air Force Reserve, the Judge Advocate General's Department. I have experience as an adjudicator, as a tax administrator, as a sponsor of tax legislation, and as a practicing attorney.

If confirmed by the Senate, I will do my very best to uphold the honor of the Tax Court and to treat taxpayers and the Government fairly and impartially, with respect and diligence.

I would be pleased to answer any questions that you might have.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

Updated "Statement of Information" (original dated September 23, 2002).

**A. BIOGRAPHICAL INFORMATION**

**1. Name: (Include any former names used.)**

Glen Landis Bower

**2. Position to which nominated:**

Judge of the United States Tax Court

**3. Date of nomination:**

Originally nominated on September 12, 2002. Renominated January 7, 2003.

**4. Address: (List current residence, office, and mailing addresses.)**

I have two homes.

My first home and mailing address is:

One East Scott Street, Suite 709  
Chicago, Illinois 60610-5244

My legal residence and permanent home is:

3 North Lakewood  
Post Office Box 1106  
Effingham, Illinois 62401-1106

Since January 20, 2003, I have not had an office.

Glen L. Bower

**5. Date and place of birth:**

January 16, 1949  
Highland, Madison County, Illinois

**6. Marital status: (Include maiden name of wife or husband's name.)**

Single.

**7. Names and ages of children:**

None.

**8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)**

Beecher City Community High School  
Beecher City, Illinois  
August 1963 to May 1967  
High School Diploma in May 1967

Southern Illinois University at Carbondale  
Carbondale, Illinois  
September 1967 to June 1971  
Bachelor of Arts in Government (President's Scholar) in June 1971

Illinois Institute of Technology/Chicago-Kent College of Law  
Chicago, Illinois  
September 1971 to June 1974  
Juris Doctor (with honors) in June 1974

**9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)**

(listed most current to oldest)

Director of Revenue  
State of Illinois  
Springfield and Chicago, Illinois  
January 1999 to January 2003  
(appointed by the Governor; member of the Governor's Cabinet)

Glen L. Bower

Assistant to the Illinois Secretary of State  
State of Illinois  
Chicago, Illinois  
January 1998 to January 1999

Chairman  
U.S. Railroad Retirement Board  
Chicago, Illinois  
April 1990 to December 1997  
(appointed by the President)

Assistant Director of Revenue  
State of Illinois  
Springfield and Chicago, Illinois  
April 1983 to April 1990  
(appointed by the Governor)

Assistant Director is the number two position in the Department

- General Counsel (1984 to 1988); while Assistant Director, I also served as General Counsel for approximately four years.
- Revenue Board of Appeals  
Chair, 1986 to 1987  
Member, 1985 to 1986

Member  
Illinois House of Representatives  
Springfield, Illinois  
January 1979 to January 1983

Attorney at Law  
Ealy and Meyer  
Effingham, Illinois  
March 1979 to April 1983  
(Part-time practice of law while a member of the Illinois House of Representatives)

State's Attorney of Effingham County, Illinois  
Effingham, Illinois  
December 1976 to January 1979  
(Chief Prosecutor and Civil Attorney for County)

Attorney at Law  
Self employed  
Effingham, Illinois  
December 1976 to January 1979  
(Part-time practice of law while State's Attorney)



Glen L. Bower

Attorney at Law  
Law Office of F. Ronald Ealy  
Effingham, Illinois  
October 1974 to December 1976  
(From approximately December 1, 1974 to approximately March 1, 1975, I was on active duty with the United States Air Force.)  
(General practice of law)

Law Clerk  
Anti-Trust Division, Illinois Attorney General's Office  
Chicago, Illinois  
June 1973 to April 1974 and August 1974 to September 1974  
(Part-time employment while attending law school. During May, June and July 1974, I studied for final law school exams and the Illinois Bar Exam and therefore took leave from the Attorney General's Office.)

Student Worker  
Illinois Law Enforcement Commission  
Chicago, Illinois  
November 1972 to January 1973  
(Part-time employment while attending law school.)

Student Worker  
Illinois Commerce Commission  
Springfield, Illinois  
June 1971 to September 1971 and June 1972 to September 1972  
(Summer employment between college terms.)

United States Air Force

I was commissioned as an officer in the United States Air Force in June 1971. I received an educational delay to attend law school.

From approximately December 1, 1974 to approximately March 1, 1975, I was on active duty, assigned to the Administrative Law Division, Office of The Judge Advocate General, Washington, D.C.

From April 1975 to July 1999 I was assigned to the following unit:  
9005 Air Force Reserve Squadron/Judge Advocate (ARS/JA)  
6760 East Irvington Place, #5200  
Denver, CO 80280-5000

From April 1975 to June 1996 I was attached to the following unit:  
375th Air Wing/Judge Advocate (AW/JA)  
Scott AFB, IL 62225

Glen L. Bower

I served as an Assistant Staff Judge Advocate when on Reserve Duty.

From June 1996 to July 1999 I was attached to:  
Headquarters, United States Air Force (HQ/USAF)  
Office of The Judge Advocate General, General Law Division (AF/JAG)  
1420 Air Force Pentagon  
Washington, DC 20330-1420

I served as a legal officer.

In July of 1999 I retired from the United States Air Force Reserve, as a Lieutenant Colonel.

10. **Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)**

Federal Government

Appointed to a two-year term on U.S. Internal Revenue Service's Electronic Tax Administration Advisory Committee; has 13 members; one of two representatives from state government, October 2000 to September 2002.

Administrative Conference of the United States, Liaison Member, 1991 to 1995.

U.S. Economic Advisory Board

Appointed by U.S. Secretary of Commerce Malcolm Baldrige to this sixteen-member Board, 1982 to 1985.

National Advisory Committee for Juvenile Justice and Delinquency Prevention.

Appointed by President Gerald R. Ford to a four-year term on this twenty-one member Committee on the U.S. Department of Justice.  
1976 to 1980.

Committee on Standards for Juvenile Justice.

U.S. Farmers Home Administration

While engaged in the private practice of law, I served as a U.S. Farmers Home Administration Designated Closing Attorney, approximately 1975 to 1983.

U.S. Small Business Administration

District Advisory Council, 1971 to 1980.

Glen L. Bower

State Government

Military Aide to Governor of Illinois, rank of Colonel, January 1999 to January 2003. This was basically an honorary position.

State of Illinois Organ and Tissue Donor Advisory Board, Chair, 1993 to 1998; the most successful program of its type in the nation.

Transition Committee for Illinois Secretary of State, December 1990 to February 1991; assisted as newly elected constitutional state official assumed new duties.

Member of "The Committee of Fifty" on the Illinois Constitution, a Legislatively created committee charged with the responsibility of reviewing the need for an Illinois Constitutional Convention, 1986 to 1988. Members included the Governor, Lt. Governor, Secretary of State and Chief Justice.

State Advisory Committee on Circuit Court Finance of the Illinois General Assembly, 1984 to 1985

Illinois House of Representatives

During my tenure as a member of the Illinois House of Representatives, 1979 to 1983, --I served on the following regular committees:

- Appropriations
  - Chair, Subcommittee on Environment and Natural Resources
- Health and Family Services, Vice Chair
- Transportation
- Personnel, Pensions & Veterans Affairs

I served on the following Boards, Councils, Commissions and Joint Committees, in addition to Legislative committee assignments:

- Joint Committee on Administrative Rules (Ensures that rules and regulations of State Agencies do not conflict with Legislative intent)
- Illinois Economic and Fiscal Commission
- Criminal Sentencing Commission (monitors the State's criminal sentencing laws)
- Attorney General's Rural Crime Advisory Board
- Illinois Council on Aging
- Illinois Legislative Council

Local Government

Vincennes Trail Law Enforcement Commission  
1976 to 1979

Ex officio member while State's Attorney of Effingham County, Illinois

Glen L. Bower

**11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)**

This is a very broadly worded question, so I am erring on the side of over-disclosure. I have listed all organizations, since college, in which I have served in any capacity other than just as a member. I have also listed public offices/positions I have held (elected or appointed), and two estates in which I served as the executor.

- Illinois Department of Revenue
  - Director of Revenue, 1999 to 2003
  - Assistant Director, 1983 to 1990
  - General Counsel, 1984 to 1988
  - Illinois Revenue Board of Appeals
    - Member, 1985 to 1986
    - Chairman, 1986 to 1987
- Military Aide to the Governor of Illinois, 1999 to 2003
- Office of the Illinois Secretary of State
  - Assistant to the Secretary, 1998 to 1999
- United States Railroad Retirement Board
  - Chairman of the Board, 1990 to 1997
- Illinois House of Representatives
  - Elected Member (54<sup>th</sup> District), 1979 to 1983
- State's Attorney of Effingham County, Illinois
  - Elected Chief prosecutor and Civil Attorney, 1976 to 1979
  - Illinois State's Attorney's Association, 1976 to 1979
    - Co-Chair, Juvenile Justice Committee, 1976 to 1977
  - Vincennes Trail Law Enforcement Commission, 1976 to 1979
    - Member, Juvenile Justice Advisory Committee, 1976 to 1979
- I was engaged in the practice of law in Effingham, Illinois. I was with the law firm of F. Ronald Ealy from October 1974 to December 1976.
- I practiced law part-time, on my own, while I served as State's Attorney of Effingham County, Illinois from December 1976 to January 1979.
- In approximately March 1979, I re-affiliated with the firm of Ealy and Meyer and was there until I left in April 1990 to become Assistant Director of Revenue for the State of Illinois.
- United States Air Force
  - Lieutenant Colonel, United States Air Force Reserve, The Judge Advocate General's Department, 1974 to 1999
    - Commissioned as an Officer, 1971
    - Retired, 1999

Glen L. Bower

- Illinois State Bar Association
  - Administrative Law Section Council, 2000 to 2002
  - Employee Benefits Section Council, 1991 to 1999
  - State and Local Tax Section Council
    - Ex officio member, 1990 to 1991
    - Chair, 1989 to 1990
    - Vice Chair, 1988 to 1989
    - Secretary 1987 to 1988
  - Labor Law Section Council, 1977 to 1978
  - Joint Committee with Chicago Bar Association on Unauthorized Practice of Law in the Tax Area, 1989 to 1990
- National Association of State Bar Tax Sections
  - Executive Committee Member, 1990 to 1996 and 1999 to present
- The Federation of Tax Administrators (formerly the National Association of Tax Administrators)
  - Board of Trustees, 2001 to 2003
  - Attorneys and Tax Appeals Section
    - Chair, 1986 to 1988
    - Vice Chair, 1985 to 1986
- Midwest States Association of Tax Administrators (this is a regional subdivision of the Federation of Tax Administrators – listed above).
  - Executive Committee 1999 to 2003
- Multistate Tax Commission (The State of Illinois is an Associate Member. I was an ex officio member.), 1999 to 2003
- Electronic Tax Administration Advisory Committee, U.S. Internal Revenue Service, 2000 to 2002
- Administrative Conference of the United States
  - Liaison Member and Member of Adjudication Committee, 1991 to 1995  
(Note: This organization no longer exists).
- "Committee Of Fifty" on the Illinois Constitution (a legislatively created committee, charged with the responsibility of reviewing the need for an Illinois Constitutional Convention), 1986 to 1988
- State Advisory Committee on Circuit Court Finance of the Illinois General Assembly, Member, 1984 to 1985
- U.S. Economic Advisory Board (appointed by the U.S. Secretary of Commerce to this 16 member board), 1982 to 1985
- National Advisory Committee for Juvenile Justice and Delinquency Prevention of the United States Department of Justice, 1976 to 1980
  - Committee on Standards for Juvenile Justice. 1976 to 1980
- State of Illinois Organ & Tissue Donor Advisory Board
  - Chair, 1993 to 1998
- Illinois Committee for Employer Support of the Guard and Reserve, 2001 to present

Glen L. Bower

- Southern Illinois University Foundation
  - Board Member, 1993 to 2002
- Southern Illinois University at Carbondale
  - Public Policy Institute, c/o Senator Paul Simon
    - Regional Advisory Board member, 2000 to present
- Robert Morris College
  - Paralegal Advisory Board Member, 2000 to 2002
- Board of Trustees of McKendree College, Lebanon, Illinois, 1978 to 1981
  - Endowment Committee
- Illinois State Historical Society
  - Board of Directors, 1983 to 1986
  - Executive Committee, 1983 to 1986
  - Vice President, 1979 to 1981
- Dana-Thomas House Foundation (This is a support organization for a Frank Lloyd Wright House, owned by the State of Illinois.)
  - Board of Directors and Acquisition Committee, 1989 to 1990
- Effingham County Bar Association
  - President, 1983 to 1984
  - Secretary, 1976 to 1977
- Phi Alpha Delta Law Fraternity, International
  - District Justice for Central Illinois and Indiana, 1988 to 1992
    - Blackstone Chapter located at IIT/Chicago-Kent College of Law, Chicago, Illinois
  - Justice, 1973 to 1974
  - Clerk, 1972 to 1973
- Effingham County Old Settlers' Association, 1983 to 1986
  - President and Director, 1983 to 1986
- U.S. Small Business Administration, District Advisory Council, 1973 to 1977
- Effingham County Mental Health Association, Board Member, 1975 to 1977
- Effingham County Operation Drug Alert Council Board Member, 1973 to 1977
- Effingham Chamber of Commerce, Legislative Committee
  - Chairman, 1976 to 1978
- Illinois Mental Health Association, Public Affairs Committee, 1977 to 1978
- Kiwanis Club President, 1977 to 1978
- I served as Executor of the following:
  - Estate of Ray L. Bower (my father),  
probated in Effingham County, Illinois, 1995
  - Estate of Bessie V. Ragland (my aunt),  
probated in Bond County, Illinois, 1996

Glen L. Bower

**12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)**

Following is a list of my current memberships.

**Legal/Professional Organizations**

- Elected a Fellow of the American Bar Foundation, 1989, (limited to 1/3 of 1% of all attorneys)
  - Became a Life Fellow in 1992
- Elected a Life Fellow of the Illinois Bar Foundation, 1988
- American Bar Association
  - Section on Taxation
    - Program participant at numerous meetings
    - Court Procedure Committee
    - Administrative Practice Committee
    - Employment Taxes Committee
- Federal Bar Association
  - Section on Taxation
- Illinois State Bar Association
  - Speaker and panel participant at numerous meetings
  - Administrative Law Section Council (governing board), 2000 to 2002
  - Employee Benefits Section Council (governing board), 1991 to 1999
  - State and Local Taxation Section Council (governing board), 1984 to 1991
    - Chair, 1989 to 1990
    - Vice Chair, 1988 to 1989
    - Secretary, 1987 to 1988
  - Federal Taxation Section
  - Labor Law Section Council (governing board), 1977 to 1978
  - Joint Committee with Chicago Bar Association on Unauthorized Practice of Law in the Tax Area, 1989 to 1990
- National Association of State Bar Tax Sections
  - Executive Committee, 1990 to 1996 and 1999 to present
- Republican National Lawyers Association
- Federalist Society
- Phi Alpha Delta Law Fraternity, International
  - District Justice for Central Illinois and Indiana, 1988 to 1992
  - Justice (1973 to 1974) and Clerk (1972 to 1973) of Blackstone Chapter located at IIT/Chicago-Kent College of Law, Chicago, Illinois
  - Chicago Alumni Chapter

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**Government Related Organizations**

- Federation of Tax Administrators  
(formerly the National Association of Tax Administrators)
  - Board of Trustees, 2001 to 2003
  - Attorneys and Tax Appeals Section
    - Chair, 1986 to 1988
    - Vice Chair, 1985 to 1986
- Midwestern States Association of Tax Administrators  
Ex officio member of the Executive Committee, 1999 to 2003  
(This group is a regional subdivision of the Federation of Tax Administrators listed above).
- Multistate Tax Commission
  - The State of Illinois is an Associate Member, as a result I was an ex officio member, 1999 to 2003

**Military Organizations**

- Reserve Officers Association
  - Life Member since 1997
- The Judge Advocates Association
- The American Legion
- Illinois Committee for Employer Support of the Guard and Reserve

**Masonic Organizations**

- Ancient Free and Accepted Masons of Illinois  
Effingham Lodge Number 149
- Ancient Accepted Scottish Rite of Freemasonry  
Valley of Danville
  - Life Member
- Knights Templar of Illinois
  - A. N. Troy Walker Chapter #2
  - B. St. Bernard Commandery #5
  - C. Chicago Council #4
- Ainad Shrine Temple
  - Affiliate: Heart Shrine Club
- Illinois Lodge of Research
- National Sojourners, Inc. (a Masonic military organization)
  - Chicago Chapter



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**Historical Organizations**

- Illinois State Historical Society
  - Board of Directors, 1983 to 1986
  - Executive Committee, 1983 to 1986
  - Vice President, 1979 to 1981
- U.S. Capitol Historical Society
- U.S. Supreme Court Historical Society
- National Society, Sons of the American Revolution
- Illinois Society, Sons of the American Revolution
- Fort Dearborn Chapter, Sons of the American Revolution
- Abraham Lincoln Association

**Private Clubs**

- The Army and Navy Club of Washington, D.C.
- Sangamo Club, Springfield, Illinois
  - Honorary Member

**Religious Organizations**

- Centenary United Methodist Church  
Effingham, Illinois

**Other Organizations**

- Bush-Quayle Alumni Association
- Reagan Alumni Association
- Southern Illinois University Alumni Association
  - Life Member
- Field Museum of National History
- Art Institute of Chicago
- Library of Congress Associates
- Smithsonian Associates
- George Bush Presidential Library Foundation
- American Association of Retired Persons (AARP)
- North State, Astor, Lake Shore Drive Association
- American Council of Young Political Leaders
  - Contributor, delegation member, hosted events for delegations
- Southern Illinois University at Carbondale
  - Regional Advisory Board  
Public Policy Institute  
c/o Senator Paul Simon

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**13. Political affiliations and activities:**

**a. List all public offices for which you have been a candidate.**

- State's Attorney of Effingham County, Illinois  
1976 – elected to a four-year term; resigned in middle of term upon election to the Illinois House of Representatives
- Illinois House of Representatives, 54<sup>th</sup> District  
1978 – elected  
1980 – elected  
1982 – defeated
- Resident Circuit Judge of Effingham County, Illinois  
Fourth Judicial Circuit  
1984 – defeated  
(Rated "Qualified" for Judge by the Illinois State Bar Association.)

**b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

- Alternate Delegate for George W. Bush, 2000 Republican National Convention, Philadelphia, Pennsylvania
- Speaker at a number of events, during Illinois primary election campaign, on behalf of George W. Bush
- Illinois Veterans' Committee for George W. Bush
- Placed "get out the vote" calls on election day for Bush/Cheney team
- Volunteered to be a surrogate speaker
- I was a Republican Precinct Committeeman in Effingham County, Illinois, 1976, 1978 to 1984, and 1985 to 1992
- Alternate Delegate for George H. W. Bush, 1992 Republican National Convention, Houston, Texas
- I am a member of the Republican National Lawyers Association.
- As a member of the Cabinet of the Governor of Illinois, I represented him at several Lincoln Day Dinner events from 1999 to 2002.
- In November 1998, I made election day phone calls to "turn out the vote" for now Governor George H. Ryan of Illinois, in his race for Governor.
- In 1998, I attended some Lincoln Day Dinner events on behalf of George H. Ryan, in his campaign for Governor.

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- c. **Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.**

1992

1.	1992 Primary Deficit Fund for Alan Dixon (U.S. Senate)	\$ 500.00
2.	Campaign America (Senator Robert Dole)	\$ 150.00
3.	Citizens for Dan Rutherford (State Representative)	\$ 100.00
4.	Friends of Lee Daniels (IL House Republican Leader)	\$ 400.00
5.	Citizens for John Curry (State Representative Candidate)	\$ 50.00
6.	Jack Schaffer for Congress (Candidate for Congress)	\$ 400.00
7.	Citizens for Pat Sharpe (State Representative Candidate)	\$ 100.00
8.	National Republican Senatorial Committee	\$ 1000.00
9.	Saline County Republican Committee	\$ 10.00
10.	Republican National Lawyers Association	\$ 65.00
11.	Effingham County Republican Central Committee	\$ 20.00
12.	Rich Williamson for U.S. Senate	\$ 400.00
13.	Citizens for Jim Edgar (Governor)	\$ 100.00
14.	Citizens for Judy Baar Topinka (State Senator)	\$ 150.00
15.	Illinois Republican State Central Committee	\$ 100.00
16.	National Republican Congressional Committee (President's Congressional Club)	\$ 150.00
17.	Republican National Committee	\$ 150.00
18.	National Republican Senatorial Committee (Legion of Merit)	\$ 60.00
19.	Ewing for Congress (Congressman Tom Ewing)	\$ 100.00
20.	Citizens for George Ryan (Secretary of State)	\$ 903.00
21.	Citizens for Hyde (Congressman Henry J. Hyde)	\$ 100.00
22.	Louis Kasper Political Fund (Republican Chairman of Chicago)	\$ 50.00
23.	Citizens for Ed Phillips (State Senator)	\$ 100.00
24.	Citizens for Roger McAuliffe (State Representative)	\$ 50.00
25.	College Republican National Committee	\$ 140.00
26.	Illinois Republican State Convention	\$ 40.00
27.	Illinois Delegation to Republican National Convention	\$ 435.00
28.	Illinois House Republican Campaign Committee	\$ 250.00
29.	Citizens for Frank Watson (State Senator)	\$ 50.00
30.	Citizens for Michel (Congressman Robert Michel)	\$ 100.00
31.	Hastert for Congress (Congressman J. Dennis Hastert)	\$ 200.00
32.	Republican National Committee (Presidential Trust)	\$ 500.00
33.	Paul Simon for U.S. Senate	\$ 64.00
34.	Citizens for Al Jourdan (McHenry County Auditor)	\$ 100.00
35.	Citizens for Kevin Parker (Effingham County State's Attorney)	\$ 100.00

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36.	Committee to Re-Elect John T. Robinson (Moultrie County State's Attorney)	\$ 50.00
37.	Victory '92 (Illinois Republican Party)	\$ 1000.00
38.	Cumberland County Republican Committee	\$ 12.00
39.	Citizens for Duane Noland (State Representative)	\$ 50.00

**1993**

1.	Paul Simon (U.S. Senate)	\$ 200.00
2.	Citizens for George Ryan (Secretary of State)	\$ 800.00
3.	Friends of Lee Daniels (State Representative)	\$ 300.00
4.	Campaign America (Senator Bob Dole)	\$ 200.00
5.	Illinois House Republican Campaign Committee	\$ 250.00
6.	Republican National Committee	\$ 100.00
7.	Citizens for Duane Noland (State Representative)	\$ 50.00
8.	National Republican Senatorial Committee	\$ 250.00
9.	Effingham County Republican Central Committee	\$ 20.00
10.	Illinois Republican Senate Campaign Committee	\$ 250.00
11.	Citizens for Lou Kasper (Republican Chairman of Chicago)	\$ 50.00

**1994**

1.	Friends of Lee Daniels (IL House Republican Leader)	\$ 410.00
2.	Citizens for Jeff Ladd (Attorney General)	\$ 250.00
3.	John Leinenweber (U.S. Congress)	\$ 100.00
4.	Empower America	\$ 25.00
5.	Campaign America (Bob Dole)	\$ 250.00
6.	Friends of Roger Wicker (U.S. Congress)	\$ 300.00
7.	Bob Barr for Congress	\$ 250.00
8.	Effingham County Republican Central Committee	\$ 20.00
9.	Republican National Committee	\$ 100.00
10.	Illinois Republican State Convention	\$ 50.00
11.	Henry Hyde for Congress	\$ 100.00
12.	Committee to Elect Joe Morris (Cook County Board)	\$ 150.00
13.	Frank Watson (State Senate)	\$ 50.00
14.	Dennis Hastert (U.S. Congress)	\$ 50.00
15.	Citizens for George Ryan (Secretary of State)	\$ 1000.00
16.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 200.00
17.	Republican National Senatorial Committee	\$ 350.00
18.	1994 U.S. Senate-House Republican Dinner	\$ 100.00
19.	Citizens for Lou Kasper (Republican Chairman of Chicago)	\$ 50.00
20.	Citizens to Elect Jim Ryan (Attorney General)	\$ 100.00
21.	George W. Bush for Governor Committee (Texas)	\$ 100.00

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22.	Orrin Hatch Election Committee (U.S. Senate)	\$ 100.00
23.	GOPAC	\$ 100.00
24.	Tom Ewing for Congress Committee	\$ 50.00
25.	Jerry Weller for Congress Committee	\$ 100.00
26.	Illinois Senate Republican Campaign Committee	\$ 100.00
27.	Citizens for Jim Edgar (Governor)	\$ 250.00
28.	Friends of Ray LaHood (U.S. Congress)	\$ 100.00
29.	Republican National Lawyers Association	\$ 25.00

**1995**

1.	Citizens for George Ryan (Secretary of State)	\$ 250.00
2.	Citizens for Lou Kasper (Republican Chairman of Chicago)	\$ 50.00
3.	Citizens for Frank Watson (State Senator)	\$ 100.00
4.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 100.00
5.	Illinois Republican State Central Committee	\$ 50.00
6.	Bob Barr (U.S. Congress)	\$ 250.00
7.	Tom Ewing (U.S. Congress)	\$ 100.00
8.	Republican National Committee	\$ 50.00
9.	U.S. Senate/House Republican Dinner	\$ 100.00
10.	Illinois House Republican Committee	\$ 300.00
11.	Citizens for Jim Ryan (Attorney General)	\$ 125.00
12.	Friends of Roger Wicker (U.S. Congress)	\$ 250.00
13.	Dennis Hastert for U.S. Congress	\$ 200.00
14.	Friends of Lee Daniels (Illinois House)	\$ 250.00

**1996**

1.	Dole for President	\$ 500.00
2.	Citizens for Lee Daniels (State Representative)	\$ 300.00
3.	Effingham County Republican Central Committee	\$ 100.00
4.	Citizens for Jerry Weller (U.S. Congress)	\$ 100.00
5.	Citizens for Cory Jobe (State Representative)	\$ 100.00
6.	Citizens for Dennis Hastert (Congressman)	\$ 250.00
7.	Citizens for Tom Ewing (Congressman)	\$ 250.00
8.	Citizens for George Ryan (Secretary of State)	\$ 250.00
9.	Citizens for Robert Barr (U.S. Congress)	\$ 250.00
10.	John Piland (Champaign County State's Attorney)	\$ 250.00
11.	Dole for President (Compliance Committee)	\$ 250.00
12.	Citizens for Dennis Hastert (Congress)	\$ 100.00
13.	Mark A. Doster (County Commissioner)	\$ 100.00
14.	Al Salvi (U.S. Senate)	\$ 2000.00
15.	Illinois Republican State Central Committee	\$ 100.00
16.	Lee Daniels (State Representative)	\$ 150.00

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17.	George Ryan (Secretary of State)	\$ 250.00
18.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 100.00
19.	Citizens for Roger Wicker (U.S. Congress)	\$ 500.00
20.	John Piland (Champaign County State's Attorney)	\$ 250.00
21.	Republican National Committee (Presidential Trust)	\$ 250.00
22.	Illinois Republican State Central Committee	\$ 30.00
23.	Republican National Lawyers Association	\$ 25.00
24.	Michael P. McAuliffe (State Representative)	\$ 100.00
25.	Illinois Delegation to the Republican National Convention	\$ 410.00

**1997**

1.	Effingham County Republican Central Committee	\$ 100.00
2.	Roger Wicker (U.S. Congress)	\$ 1000.00
3.	Lou Kasper (Republican Chairman of Chicago)	\$ 100.00
4.	George Ryan (Secretary of State)	\$ 1000.00
5.	Republican National Lawyers Association	\$ 25.00
6.	Judy Baar Topinka (State Treasurer)	\$ 450.00
7.	Citizens for Dennis Hastert (U.S. Congress)	\$ 250.00
8.	Illinois Republican State Central Committee	\$ 100.00
9.	Citizens for Jerry Berg (U.S. Congress)	\$ 100.00
10.	Republican National Committee	\$ 250.00
11.	Citizens for Duane Noland (State Representative)	\$ 100.00
12.	Citizens for Lee Daniels (State Representative)	\$ 250.00
13.	Citizens for Bob Barr (U.S. Congress)	\$ 100.00
14.	Citizens for Bob Churchill (State Representative)	\$ 100.00
15.	Citizens for George H. Ryan (Governor)	\$ 250.00
16.	John Piland (Champaign County States Attorney)	\$ 250.00

**1998**

1.	Citizens for Peter G. Fitzgerald (U.S. Senate)	\$ 500.00
2.	Citizens for George W. Bush (Governor of Texas)	\$ 500.00
3.	Lou Kasper (Republican Chairman of Chicago)	\$ 50.00
4.	Citizens for Dennis Hastert (Congress)	\$ 200.00
5.	Effingham County Republican Central Committee	\$ 100.00
6.	Citizens for John Maitland (Illinois Senate)	\$ 100.00
7.	Lee Daniels (Illinois House Republican Leader)	\$ 300.00
8.	Frank Watson (Illinois Senate)	\$ 250.00
9.	Citizens for George Ryan (Governor)	\$ 2000.00
10.	Citizens for Duane Noland (Illinois Senate)	\$ 100.00
11.	Citizens for Bob Taft (Governor of Ohio)	\$ 100.00
12.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 200.00
13.	Republican National Lawyers Association	\$ 25.00

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**1999**

1.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 750.00
2.	Citizens for Robert R. Cupp (Ohio State Senate)	\$ 250.00
3.	Republican National Committee	\$ 200.00
4.	Citizens for J. Dennis Hastert	\$ 325.00
5.	Citizens for James "Pate" Philip (Illinois Senate)	\$ 250.00
6.	Illinois Republican Party	\$ 100.00
7.	Illinois State Senate (Republican Campaign Committee)	\$ 250.00
8.	Citizens for Roger F. Wicker (U.S. Congress)	\$ 250.00
9.	Citizens for Duane Noland (Illinois State Senate)	\$ 100.00
10.	Citizens for Louis J. Kasper (Republican Chairman of Chicago)	\$ 50.00
11.	Citizens for John Piland (Champaign Co. State's Attorney)	\$ 100.00
12.	Brad Cole (Carbondale, Illinois City Council)	\$ 300.00
13.	George W. Bush (Presidential Exploratory Committee)	\$ 1000.00
14.	Effingham County Republican Central Committee	\$ 25.00
15.	Republican National Lawyers Association	\$ 25.00
16.	19 <sup>th</sup> District Republican Committee	\$ 30.00
17.	Friends of Lee Daniels (IL House Republican Leader)	\$ 100.00

**2000**

1.	Friends of Lee Daniels (IL House Republican Leader)	\$ 400.00
2.	Citizens for J. Dennis Hastert (U.S. Congress)	\$ 225.00
3.	Citizens for Roger F. Wicker (U.S. Congress)	\$ 500.00
4.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 100.00
5.	Citizens for John Piland (Champaign Co. States Attorney)	\$ 150.00
6.	Friends of Frank Watson (Illinois Senate)	\$ 100.00
7.	Republican National Committee (Presidential Trust)	\$ 200.00
8.	Citizens for Mark Kirk (U.S. Congress)	\$ 100.00
9.	Cook County Republican Committee	\$ 75.00
10.	19 <sup>th</sup> Congressional District Republican Committee	\$ 30.00
11.	Citizens for James "Pate" Philip (Illinois Senate)	\$ 250.00
12.	Sangamon County Republican Central Committee	\$ 50.00
13.	Citizens for Jim Ryan (Attorney General)	\$ 100.00
14.	Bush for President (Compliance Committee)	\$ 1000.00
15.	Illinois State Senate Republican Campaign Committee	\$ 350.00
16.	Illinois House Republican Campaign Committee	\$ 100.00
17.	Citizens for Roger Rutherford for Circuit Judge	\$ 50.00
18.	Citizens for Tim Johnson (U.S. Congress)	\$ 100.00
19.	Citizens for Duane Noland (Illinois Senate)	\$ 50.00
20.	Bush/Cheney Recount Committee	\$ 1000.00
21.	Republican National Lawyers Association	\$ 50.00
22.	Illinois Delegation - Philadelphia 2000	\$ 350.00

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23.	Illinois Republican Party	\$ 65.00
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**2001**

1.	Citizens for Lee Daniels (IL Republican House Leader)	\$ 100.00
2.	Illinois Republican Party	\$ 100.00
3.	Republican National Committee	\$ 100.00
4.	Sangamon County Republican Central Committee	\$ 50.00
5.	Citizens for Manny Hoffman (Cook County Republican Chairman)	\$ 50.00
6.	Citizens for Duane Noland (Illinois Senate)	\$ 100.00
7.	Citizens for Roger F. Wicker (U.S. Congress)	\$ 250.00
8.	19 <sup>th</sup> Congressional District Republican Committee	\$ 30.00
9.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 450.00
10.	Citizens for James "Pate" Philip (State Senate)	\$ 250.00
11.	Citizens for Dennis Hastert (U.S. Congress)	\$ 450.00
12.	Republican National Committee	\$ 100.00
13.	Illinois Senate Republican Committee	\$ 250.00
14.	Citizens for John Piland (Champaign Co. States Attorney)	\$ 100.00
15.	Citizens for Dan Rutherford (State Representative)	\$ 125.00
16.	Republican National Lawyers Association	\$ 50.00

**2002**

1.	Kerry J. Hirtzel for County Clerk	\$ 50.00
2.	Cook County Republican Committee	\$ 200.00
3.	Citizens for Jim Ryan for Governor	\$ 500.00
4.	Roger Wicker Political Action Committee (U.S. Congress)	\$ 500.00
5.	Citizens for James "Pate" Philip (State Senate)	\$ 250.00
6.	Citizens for Frank Watson (Illinois Senate)	\$ 100.00
7.	Citizens for Dennis Hastert (U.S. Congress)	\$ 650.00
8.	Citizens for John Shimkus (U.S. Congress)	\$ 200.00
9.	Citizens for Alan Smietanski (Circuit Judge)	\$ 100.00
10.	Citizens for Peter G. Fitzgerald (U.S. Senate)	\$ 600.00
11.	Citizens for Judy Baar Topinka (State Treasurer)	\$ 850.00
12.	Illinois House Republican Campaign Committee	\$ 200.00
13.	Friends of Lee Daniels (State Representative)	\$ 60.00
14.	2002 President's Dinner Trust	\$ 150.00
15.	Republican National Lawyers Association	\$ 50.00
16.	Citizens for Brad Cole (Mayor)	\$ 250.00
17.	John Piland Campaign Committee (State's Attorney)	\$ 300.00
18.	Friends for Robert Molaro (State Representative)	\$ 150.00



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14. **Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)**

**Awards and Recognition for Service as Chairman, U.S. Railroad Retirement Board**

- Statement by Chairman of U.S. House Appropriation Subcommittee on Labor, Health and Human Services, Education & Related Agencies, Rep. John Porter, *"In my 17 years of service in Congress, I don't think I've ever seen a single individual make such a dramatic difference in a Government agency. . . You have turned the agency into one of the best run, a model for all other Federal agencies to emulate."* Committee Hearing transcript, March 19, 1997.
- American Shortline Railroad Association, 1997, award, "For Outstanding Efforts to Enhance and Modernize the U.S. Railroad Retirement System"
- Association of American Railroads, commendation by Board of Directors, 1996, *"We very much appreciate your tireless efforts towards obtaining a sound Railroad Retirement system. We applaud your work in streamlining the administrative process, seeking optimum efficiency savings, and securing a solid regulatory framework.... Your work to bring the Railroad Retirement system into the 1990's is very much needed."*
- U.S. Department of the Treasury, Financial Management Service, Federal Technology Leadership Award, 1995
- U.S. Department of the Treasury, Savings Bonds Program, Patriotic Service Award, 1992

**Awards from the Legal Profession**

- Illinois State Bar Association
  - Board of Governor's Award, 1999, for "truly exemplary service to the legal profession". This is one of the Illinois State Bar's highest awards.
  - Elected to President's Club, 1987
- Phi Alpha Delta Law Fraternity International
  - Certificate of Appreciation, 2002, for 25 years of service to the fraternity.

**Awards for the Department of Revenue Service**

- Illinois Association of Homes for the Aging, Distinguished Service Award, 1984
- Lutheran Care Center, Certificate of Appreciation, 1985
- Illinois Petroleum Marketers' Association, Distinguished Service Award, 1984

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- Illinois Association of Tobacco and Candy Distributors, Lincoln Honor Award for Distinguished Service, 1987
- Illinois Agriculture Leadership Program, Certificate of Appreciation, 1990

#### **Military Awards & Decorations**

- General Law Division, Office of The Judge Advocate General, award for "*...wise counsel, exemplary officership, sterling service.*", 1999
- Air Force Meritorious Service Medal, First Oak Leaf Cluster, 1999
- Air Force Meritorious Service Medal, 1997
- Air Force Commendation Medal, 1991
- Air Force Achievement Medal, 1988
- Department of the Army, The Outstanding Civilian Service Medal, 2003
- Outstanding ROTC Cadet, three years, an academic award

#### **Awards as a Member, Illinois House of Representatives**

- Illinois Education Association, Outstanding Freshman Legislator Award, 1980
- Illinois Education Association, Certificate for Outstanding Service to the Teaching Profession, 1981
- Illinois Association of Rehabilitation Facilities, Legislator of the Year, 1981 and 1982
- Illinois Chapter for the Prevention of Child Abuse, Certificate of Appreciation, 1981
- Illinois Sheriffs' Association, Recognition and Appreciation Award, 1981
- Illinois Environmental Health Association, Presidential Citation, 1981
- Illinois Pharmacists Association, Certificate of Appreciation for Extraordinary Service, 1981
- Illinois Public Health Association, Outstanding Legislator Award, 1982
- Coalition for Peace Through Strength, Leadership Award for National Security, 1982
- Navy League of the United States, Presidential Citation, 1981
- American Legion, Citation of Recognition, 1980
- Amvets, Distinguished Service Award, 1980 and 1982

#### **Higher Education Awards and Honors**

- Illinois Institute of Technology/Chicago-Kent College of Law
  - Juris Doctor, with Honors, 1974
  - Dean's List
  - Professional Achievement Award from Chicago-Kent Law School Association, 1993 (This is one of the Law School's highest honors.)

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- Southern Illinois University at Carbondale
  - Bachelor of Arts in Government, 1971
  - President's Scholars Honors Program
  - Dean's List
  - Elected to Sphinx Club, the Distinguished Service Award at Southern Illinois University
  - Alumni Achievement Award, Southern Illinois University at Carbondale, 1994 (This is one of the University's highest honors).
  - Commencement Speaker, 1994
  - Recognized as a Distinguished Alumnus, College of Liberal Arts, 2000
- Governor's Management Intern, 1969
- Illinois General Assembly Scholarship, 1967 to 1971

**Awards from Historical Organizations**

- Illinois State Historical Society
  - Friend of History Award, for preservation, 1994
  - Ralph C. Francis Award, 1967
  - Emancipation Proclamation Centennial Award, 1964
- Illinois Society, Sons of the American Revolution  
Silver Good Citizenship Medal, 1990
- Museum of Our National Heritage, Lexington, Massachusetts  
Constitution Award, 1988

**15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)**

I have written the following articles which were published in legal publications:

- "The Illinois Use Tax in Perspective: Its History and Challenges", Tax Trends, May 1987; Vol. 30, No. 3, Illinois State Bar Association.
- "The U.S. Railroad Retirement Board: An Overview", Employee Benefits, October 1992; Vol. 11, No. 1, Illinois State Bar Association.
- "The U.S. Railroad Retirement Board: An Overview", January 1993, Issue 2, Committee Update, Administrative and Government Law, American Bar Association General Practice Section.
- "Illinois State and Local Taxation", 1991, Illinois Institute for Continuing Legal Education
  - co-editor/coordinator of the book

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- While I was Chairman of the U.S. Railroad Retirement Board (RRB), April 1990 to December 1997, the RRB issued an annual report to Congress.
- The Illinois Department of Revenue issues an annual report to the Governor and to the Illinois General Assembly, as required by law.
- While I was a member of the Illinois House of Representatives, from January 1979 to January 1983, I sent news releases to the media in my district concerning government projects and programs and legislation. I don't think any of these would be considered controversial. All of these documents were archived nearly twenty years ago and it would not be an easy task to retrieve them. I do not have copies of any of this material myself.
- While in high school, 1963 to 1967, I wrote eight to ten short articles for Illinois History Magazine, published by the Illinois State Historical Society. These articles were on specific topics concerning the history of Illinois.

**16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)**

During the past five years, I have spoken to the following groups, primarily on state tax issues: Illinois State Bar Association; Tax Executives' Institute chapters in Chicago, New York and Des Moines; Federation of Tax Administrators; National Association of State Bar Tax Sections; Chicago Bar Association; Illinois CPA Society; American Bar Association; Georgetown University State and Local Tax Conference, the Center for Tax Education and Research's National Institute on State and Local Taxation, Illinois State Chamber of Commerce, Illinois Taxpayers Federation, and various trade, business and civic groups.

In September 2002 I provided the Committee with copies of six different speeches or testimony given before public bodies, which are representative of the topics I covered. The typical topics have been: changes in Illinois tax law (either pending before the Illinois General Assembly or passed into law); proposed or pending regulations, recent Court decisions, and developments in tax administration. Most of my "speeches" to these groups were from handwritten notes and/or outlines. These did not vary much from the six speeches and testimony that were provided to the Committee in September 2002.

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**17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)**

In my opinion, the United States Tax Court is critical to the functioning of our government. A Judge of this Court must be a person of integrity, who has both general and specialized knowledge. Such a person must be able to deal with change and complexity; must be able to understand the policy behind the details; and must be able to assess, communicate, and judge based on the record before him or her. At the risk of seeming to be lacking in humility, I nevertheless state that I believe I am qualified to be on the U. S. Tax Court. I have spent most of my professional life acquiring the knowledge and experience for this position. If confirmed, I would continue to grow in knowledge and experience.

I believe the diversity of experience I have acquired in my professional life has prepared me to be a Judge of the United States Tax Court. That experience includes the private practice of law, serving as a county State's Attorney (chief prosecutor and civil attorney), Member of the Illinois House of Representatives, Director, Assistant Director and General Counsel of the Illinois Department of Revenue, Chairman and Member of the Illinois Revenue Board of Appeals, Chairman of the U. S. Railroad Retirement Board, and legal officer in the U. S. Air Force Reserve, the Judge Advocate General's Department. I have experience as an adjudicator, as a tax administrator, as a tax practitioner, and as a sponsor of tax legislation.

I have experience as an adjudicator. For seven years and eight months I served as Chairman of the U. S. Railroad Retirement Board. One of the important duties of the three-member Board, was to act in a quasi-judicial capacity, where it decided appeals from decisions by agency hearing officers. Acting in this capacity, the Board adjudicated nearly 700 cases annually, while I was a member. Decisions of the Board are reviewable in the United States Circuit Courts of Appeals.

I also have adjudicatory experience from the three years I served as chairman and member of the Illinois Revenue Board of Appeals. The Board of Appeals, established by law, was an administrative court of appeals, which had the power to grant equitable relief, accept offers in compromise and the voluntary disclosures of tax liability. The Board of Appeals was the only entity with the power to reduce an established tax liability. While I was a member, the Board decided approximately 600 cases annually.

I have experience as general counsel of the Illinois Department of Revenue. In this capacity, I had direct supervisory responsibility for 50 administrative law judges and attorneys; the second largest legal staff in Illinois State government. As general counsel, I was responsible for: the final review of hearing

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recommendations (decisions), numbering several hundred annually, of all administrative law judges; issuing revenue ruling letters; preparing legislative proposals and revenue regulations (rules); and giving general legal advice to the Director and staff of the Department of Revenue.

As Director of Revenue for the State of Illinois, I served in the top tax policy/tax administration job in Illinois State government. My responsibilities included: the administration of 73 tax laws; supervision of 65 attorneys, administrative law judges, and hearing officers, who annually: issue approximately 450 revenue ruling letters, 60 revenue regulations (rules), draft and monitor over 400 pieces of tax legislation, and conduct 600 administrative hearings, plus 1,800 Board of Appeals cases.

As Director of Revenue, I served as one of the advisors to the Governor on state tax policy and how changes in Federal tax law could affect Illinois.

I am a firm believer that tax regulations (rules) need to be fair and understandable, and that agency policies and practices should be part of duly adopted regulations (rules), so that taxpayers and tax practitioners know and understand the rules of the game. As a result, during my tenure as Director of Revenue, the Department had an active regulatory agenda to clear up and clarify issues, not to confound and confuse. Many of these regulations (rules) had been pending for years, and tax practitioners and business had been pleading for clearly written guidance. I was directly involved with the promulgation of these regulations (rules).

As part of this regulation (rule) making process, I established a Director's Advisory Group of tax attorneys, accountants, representatives of corporate tax departments, and interest groups, to get their input, to make tax regulations (rules) fair, understandable and administrable, and where necessary, to suggest changes in the tax laws.

In order to properly understand and administer the Illinois Income Tax Act, it is necessary to be familiar with concepts of Federal income taxation and the Internal Revenue Code. The core concepts of the Illinois Income Tax Act are based upon Federal tax concepts. For example, the fundamental concept of income subject to Illinois income taxation begins with a determination of Federal taxable income in the case of a corporation and adjusted gross income in the case of an individual.

Many principles of Illinois income taxation are taken directly from Federal principles, or are modified versions of Federal concepts. For example individual income taxpayers may be entitled to an earned income credit, that is a percentage of the Federal earned income credit. The Illinois research and development credit directly incorporates the Internal Revenue Code for

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definitions of the various elements of the Illinois credit. Illinois net losses, while decoupled from Federal net operating losses, share many of the same elements present in Federal net operating losses. Finally, Section 102 of the Illinois Income Tax Act provides that unless otherwise expressly provided or clearly appearing from the context, any term used in the Illinois Income Tax Act shall have the same meaning as when used in a comparable context in the Internal Revenue Code.

I also have experience in tax administration while I served as Chairman of the U. S. Railroad Retirement Board (RRB) for seven years and eight months. The RRB was deeply involved with the administration of the payroll tax system for the nation's railroads. The RRB directly administered the railroad unemployment insurance tax and worked directly with the Internal Revenue Service in the administration of the railroad retirement tax. As part of this process, the three member Board made nearly seven hundred employer/employee determination decisions (i.e. whether a worker was an employee or independent contractor for the purposes of "coverage" by the statutory acts administered by the RRB.) This determination process is very similar to the employer/employee decision making process by the Internal Revenue Service, and the Board's decisions were accepted by the IRS.

I have courtroom experience and am knowledgeable of the rules of evidence and court procedures. I was engaged in the private practice of law for approximately eight years (either full time or part time, while I held elective office). I regularly appeared in court on a number of matters. During two-plus years of this period, I served as the elected State's Attorney (chief prosecutor and civil attorney) of Effingham County, Illinois. As State's Attorney, I was in court constantly, with my office processing thousands of cases; I became very familiar with the court room and court procedures and protocol. As the County's civil attorney, I was responsible for representing the County on property tax objection cases, mainly filed by public utilities and railroads. I also advised County officials on a variety of tax issues, concerning local, state and Federal tax laws, as they related to County government.

I also gained courtroom experience as an Assistant Staff Judge Advocate in the U. S. Air Force Reserve. While serving at the base level, I participated in the preparation for a number of trials and conducted hearings of several types.

I have experience as a lawmaker. While I served as a Member of the Illinois House of Representatives, hundreds of pieces of tax legislation were considered by the Illinois General Assembly. During my tenure, several important Illinois tax laws were enacted or amended, including passage of the Corporate Personal Property Replacement Tax, which is a variation of the Illinois Income Tax; and the abolition of the Illinois Inheritance Tax, except for the Federal "pick-up" tax. During my tenure, there were ten changes to the Illinois Income Tax Act, six of

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which were major changes. One change was the creation of unitary business filing. Two changes were necessary because of changes in the Internal Revenue Code. I was the sponsor of a key legislative package for the Department of Revenue.

While a Member of the House of Representatives, I also served on the Joint Committee on Administrative Rules (JCAR). This committee had the responsibility for reviewing all of the administrative rules (regulations) of all state government agencies, including the Department of Revenue. JCAR's responsibility was to ensure that agency rules did not conflict with legislative intent or existing law. As a member of this very important committee, I became very familiar with reading and understanding agency regulations (rules) and their relationship with statutory law.

I have experience as a tax practitioner. While in the private practice of law, I handled a number of probate matters, which involved the preparation and filing of Federal estate and gift tax returns and Illinois inheritance tax returns. I also assisted a number of small "start up" businesses with their registration with the Internal Revenue Service, and assisted several not-for-profit organizations obtain their tax-exempt status from the IRS.

The U. S. Tax Court, obviously, deals with Federal tax law. Although much of my experience has been in the area of state and local law, I believe this experience and knowledge will be extremely useful to me if I serve on the Tax Court. The principles and concepts of taxation at various levels of government are much the same. As I explained above, the Illinois Income Tax Act closely parallels the IRS Code in many respects. I believe I "understand the music" of tax law, which is a common melody throughout both the Federal and state codes.

I do not claim to know and fully understand every section of the federal tax code without the need to research an issue. During the last twenty-five years, there have been nearly 200 significant changes to the federal tax code, with roughly thirty of these changes being major rewrites. As a result, people dealing with the tax code have to constantly update their knowledge; however, "understanding the music" of tax law makes this possible.

Also, as noted above, I was involved in the administration of two Federal tax laws, while I served as Chairman of the Railroad Retirement Board.

I believe I am a good writer and logical thinker. During my entire professional career I have been required to prepare court documents, government reports, high level memoranda and correspondence. In addition, I worked with my staff, at the Department of Revenue, in the preparing of legislative proposals and agency regulations and hearing decisions. As Chairman of the Revenue Board



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of Appeals, I prepared the official decisions of the Board. At the Railroad Retirement Board, working with our staff, we prepared hundreds of hearing decisions. While working in the Administrative Law Division, Office of the Air Force Judge Advocate General, I drafted official civil law opinions (some of which were published); legal reviews for the Judge Advocate General and for the Secretary of the Air Force; and legal research memoranda on a variety of subjects.

Finally, I believe that acquired experience and knowledge in Federal tax law and adjudication are only part of the qualifications needed to be a Judge of the United States Tax Court. I believe a judge must have a clear appreciation of the importance of judicial precedent, as a curb against arbitrariness, unpredictability, and unequal treatment in similar circumstances. I also believe a judge must have an appreciation for the importance of developing an internally consistent body of case law, and an appreciation for the importance of clearly reasoned and written decisions. A judge must have an appreciation for the role of legislative intent. A judge must be fair and unbiased and a good listener. I believe I possess these qualities

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. **Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.**

Yes. I would hope that I could remain in the pension systems listed below. I do not believe this presents a conflict of interest.

I am vested in two complimentary pension systems of the State of Illinois.

I have 15 years and 4 months in the:  
 Illinois General Assembly Retirement System  
 2101 South Veterans Parkway  
 Springfield, IL 62794  
 I can start drawing at age 55 in January 2004

I have 5 years in the:  
 Illinois State Employees Retirement System  
 2101 South Veterans Parkway  
 Springfield, IL 62794  
 This system is "complimentary" to or "tied in" with the Illinois General Assembly Retirement System. I could start drawing this small benefit at age 60 in January 2009.

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I am also vested in the U.S. Military retirement system, having been an officer in the U.S. Air Force Reserve from June 1971 to July 1999. I can start drawing at age 60. I intend to continue my membership in this retirement system. I do not believe this presents a conflict of interest.

From my tenure as Chairman of the United States Railroad Retirement Board, I am vested in the Federal Employees Retirement System (FERS), where I have 7 years and 8 months of credit. I also have contributions in the Federal Thrift Savings Program. If I am confirmed, I will again be contributing to these two programs.

If I am confirmed, I will resign from any and all organizations that it would be inappropriate for me to be a member of as a Judge of the United States Tax Court. Knowing that I was being considered for this position, I have not sought re-election or reappointment to some of the positions I have held.

2. **Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.**

No.

3. **Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.**

No.

4. **If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.**

Yes.

**C. POTENTIAL CONFLICTS OF INTEREST**

1. **Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.**

I don't believe there are any conflicts of interest. If a matter came before me in which I discovered I had a conflict of interest, I would recuse myself.

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2. **Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

I don't believe there are any conflicts of interest. If a matter came before me in which I discovered I had a conflict of interest, I would recuse myself.

3. **Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.**

Activity during last 10 years.

1990 to 1997 – I was Chairman of the United States Railroad Retirement Board, which would be exempt from this question, since I was a Federal employee.

1998 – I was an assistant to the Illinois Secretary of State. I engaged in no activity to influence legislation; I was in an administrative position.

1999 to 2003 – I served as Director of Revenue in the Cabinet of the Governor of Illinois. In this position, my focus was almost exclusively on legislative matters at the state level. I appeared before Committees of the Illinois General Assembly several times concerning the budget of the Illinois Department of Revenue and legislation effecting state tax laws. As the Illinois Director of Revenue, I was charged with administering 73 tax laws, and served as one of the Governor's advisors on state tax policy.

At the invitation of Senator Charles Grassley, Chairman of the U.S. Senate Committee on Finance, through the Federation of Tax Administrators, I testified before the U.S. Senate Committee on Finance on March 7, 2001, concerning the Illinois Earned Income Tax Credit.

At the invitation of Representative Donald Manzullo, Chairman of the U.S. House Committee on Small Business, I testified before that committee on October 3, 2001, concerning the Illinois Circuit Breaker/Pharmaceutical Assistance Program, which the Illinois Department of Revenue administers.

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At the request of the Governor of Illinois, on July 19, 2002, I sent a letter to some members of the Illinois Congressional Delegation concerning HR 2526. This legislation provided standards for determining when a business was conducting sufficient activity in a state to permit the state to tax it. The letter expressed opposition to the legislation in its format at the time.

From time to time, the Federation of Tax Administrators, of which the Illinois Department of Revenue has been a member, and I was on the Board, advised members of the Senate and House of Representatives on tax issues of interest to the states.

4. **Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)**

I don't believe there are any conflicts of interest. If a matter came before me in which I discovered I had a conflict of interest, I would recuse myself.

5. **Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.**

Not applicable.

6. **The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:**

**Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.**

Not applicable.

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**D. LEGAL AND OTHER MATTERS**

1. **Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.**

No.

2. **Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.**

No.

3. **Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.**

Over the course of my career, I have served as Chairman of the United States Railroad Retirement Board; Assistant Director and General Counsel of the Illinois Department of Revenue; Member of the Illinois House of Representatives; State's Attorney for Effingham County, Illinois; and as an attorney in the general practice of law. In these capacities, I have participated in the role of an advocate, witness, or representative in countless administrative and legislative proceedings. However, my involvement in these proceedings has been limited to a nominal, representative, or official capacity, rather than as a party in interest. During my tenure as Director of the Illinois Department of Revenue, I was involved as a party in interest in one administrative agency proceeding. In July 2001, an employee filed with the Illinois Department of Human Rights and the United States Equal Employment Opportunity Commission an employment discrimination complaint in response to discipline for work-related misconduct. The employee promptly withdrew the complaint. I am unaware of any other administrative agency proceedings in which I have been a party in interest.

As Director of the Illinois Department of Revenue, I was frequently named as a defendant in civil litigation related to agency's enforcement of the Illinois tax statutes. During my prior service as Chairman of the United States Railroad Retirement Board I was twice named as a defendant in civil litigation. However, my involvement in these cases has been strictly in a nominal or official capacity, rather than as a party in interest. During my tenure as Director of the Illinois Department of Revenue, I was twice involved as a party in interest in civil litigation. In the first case, Little v. Illinois Department of Revenue, et al., No. 01 C 2503 (N.D. Ill.), an employee filed an employment discrimination complaint in

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response to discipline for work-related misconduct. The court dismissed the case on all counts. While the plaintiff has appealed the decision, Department of Revenue attorneys are confident that the dismissal will stand. The second case, Rossi v. Bower, Howard, and Wiseman, No. 00 C7836 (N.D. Ill.), involved an employee's claim of retaliation arising out of an investigation for alleged misconduct by the plaintiff, which was later determined to be unfounded. After the U.S. District Court partially granted the Department of Revenue's motion to dismiss, the Illinois Attorney General appealed the remaining counts on qualified immunity grounds. The U.S. Court of Appeals for the Seventh Circuit selected the case for possible disposition through settlement. Thereafter, the Attorney General's Office performed an economic analysis, taking into account staff time and expenses as well as the possibility of two or more trips to the U.S. Court of Appeals for the Seventh Circuit, and the potential precedent of chilling future investigation of alleged wrongdoing. The Attorney General's Office determined that a reasonable settlement would be a prudent use of limited State resources. The parties amicably resolved the plaintiff's claim, and another party's purported but unfiled claims, against the three defendants and several other Department of Revenue employees (who had not yet been named as defendants), for an amount well below the sum deemed reasonable in the Attorney General's economic analysis. There was no finding nor admission of liability by any of the parties.

4. **Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.**
- No.
5. **Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.**

For one year, from January 1998 to January 1999, I was an employee of the Office of the Illinois Secretary of State. It has been well publicized in the Illinois media that, for the past four to five years, the U.S. Attorney for the Northern District of Illinois and the FBI have been conducting an investigation of various aspects of the Office of the Illinois Secretary of State (which has approximately 4000 employees and numerous divisions and departments) and the campaign organization (Citizens for Ryan) of former Illinois Governor George H. Ryan, who was Secretary of State for the period under investigation. It has also been widely reported in the Illinois media that dozens of people have been interviewed and/or subpoenaed to testify before a Federal Grand Jury. I received a subpoena and submitted a statement, which I read to the Grand Jury, and provided certain documents. On January 23, 2003, I testified in the trial of United States vs. Scott Fawell in the U.S. District Court for the Northern District

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of Illinois. This is the only involvement that I have had in this matter.

I was not and am not a target of the investigation and have a letter to that affect from the Office of the U.S. Attorney for the Northern District of Illinois. A copy of the "non-target letter" has previously been furnished to the Committee.

I was the second witness called by the Government in its case against Mr. Fawell, and my testimony reflects repeated confrontations with Mr. Fawell about what I believed were improper and illegal uses of public funds, employees and supplies by the campaign staff of a candidate for statewide office.

Throughout its investigation, I have helped the Government and cooperated fully and my trial testimony reflects that cooperation.

**E. TESTIFYING BEFORE CONGRESS**

- 1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?**

Yes; however, it is my understanding that the Chief Judge normally testifies on behalf of the Tax Court.

- 2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?**

Yes; however, it is my understanding that the Chief Judge normally responds on behalf of the Tax Court.

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PREPARED STATEMENT OF HON. JIM BUNNING

Thank you, Mr. Chairman. I look forward today to this hearing on the nomination of the Members of today's panel to join the U.S. Tax Court, the International Trade Commission and the IRS Oversight Board.

You are a distinguished panel and I look forward to considering your nominations. It goes without saying that the positions to which you have been nominated are vitally important to this Nation and its economy.

I particularly would like to welcome Mr. Goeke before the committee. While Mr. Goeke has been a resident of Illinois for several years, he had the good sense to be born in the Commonwealth of Kentucky and is blessed to be a graduate of Xavier University and the University of Kentucky Law School.

As a Xavier graduate, I am always happy to come into contact with a fellow alum and I can assure the committee that a Xavier education is fine preparation for whatever endeavors one may chose to pursue—I expect that serving on the Tax Court of the United States will be no different.

Again, I wish to welcome all of the President's nominees before this committee today and I thank all of our panelists for their willingness to serve.

The fair enforcement, implementation, and administration of our tax and trade laws affect all Americans. Your experience and dedication will be needed in the years ahead.

Thank You.

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PREPARED STATEMENT OF JOSEPH R. GOEKE

Mr. Chairman. Thank you for this opportunity to appear before the Committee today regarding my nomination for the position of Judge of the United States Tax Court. I am very appreciative and humbled that the President has presented my name to be of service to the Country as a Judge in the Court that has been the focal point of my professional career for over 27 years.

I was born and raised in Northern Kentucky. I received my undergraduate degree from Xavier University in Cincinnati, Ohio and my JD from the University of Kentucky College of Law. My first job as an attorney was with the Internal Revenue Service in New Orleans, Louisiana. I tried my first Tax Court case in October, 1975. From 1975 to 1988 I worked as a litigator for the Internal Revenue Service in New Orleans and Cincinnati. In 1988 I became a partner at Mayer, Brown & Platt, now Mayer, Brown, Rowe & Maw in Chicago, Illinois. I practiced in the Federal Tax Controversy area, and since 1988, I have represented corporate clients before the Internal Revenue Service, in litigation in the Tax Court, and other federal forums. Over the course of my career, I tried over 50 federal tax cases ranging from very small-dollar individual tax cases to some of the largest corporate tax cases. I have been very fortunate throughout my legal career to work with people who mentored me and helped me grow as an advocate and a person. I can remember in 1975 thinking that becoming a judge on the U.S. Tax Court was an unattainable goal for a person like me. But through the help of many people and the grace of God, I was given opportunities to advance in the profession. It is with a great deal of humility and appreciation for the Tax Court as an institution that I say I truly welcome the honor of serving the country as a Judge on the Court.

I was raised in a patriotic family and my father proudly served the country in combat in the Pacific in World War II. I do not equate my situation to the level of sacrifice that my father, my father-in-law and others made and continue to make for our country, but their example will guide me as I attempt to be the best judge I can be for this country and for the taxpayers of the nation.

In addition to being very fortunate in my professional life, I've been blessed with a wonderful family, my wife Linda, my two sons, Robert and Ben who couldn't be here today and my daughter Elizabeth who is here with my wife. My children have been raised in Chicago and look upon Chicago as their hometown. Nevertheless, they have been very supportive and flexible regarding the move of our family home which would result from my taking a position on the Tax Court in Washington. My wife also has been fully supportive regarding the move and the related changes. I am fortunate that my family realizes how important it is to me to pursue the opportunity to serve the country as a Tax Court judge. I believe the Tax Court has an extremely important role in our federal tax system both for individuals and corporations and I hope that the experience I have had in the government and in private practice will give me the balance and objectivity necessary to fairly apply the Internal Revenue laws to all taxpayers.

Thank you.



SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE

A. BIOGRAPHICAL INFORMATION

1. **Name:** Joseph Robert Goeke
2. **Position of nomination:** Judge, United States Tax Court
3. **Date of Nomination:** January 15, 2003
4. **Address:** Home – 2 Astor Court, Lake Forest, IL 60045; Office – 190 South LaSalle Street, Chicago, IL 60603
5. **Date and place of birth:** June 22, 1950 – Covington, Kentucky
6. **Marital status:** Married to Linda Ruth Powers Goeke
7. **Names and ages of children:** Robert William 18, Benjamin Joseph 16, Elizabeth Ellen 12.
8. **Education:**  
St. Xavier High School, Cincinnati, Ohio – 1964-1968  
Xavier University, Cincinnati, Ohio – 1968-1972, BS Math 1972  
University of Kentucky, College of Law, Lexington, KY 1972-1975, JD 1975
9. **Employment Record:**  
Sears, Cincinnati (Parts Clerk) 1973  
Baltimore & Ohio Railroad Trackmen, Summer 1973  
Cincinnati Reds Usher, Summer 1973  
Gess Mattingly (Lawfirm, Lexington, KY 1974 Spring)  
IRS, Chief Counsel, Law Clerk, Cincinnati, Ohio Summer 1974  
UK Law School Clerical Assistant, School Year 1974-1975  
IRS Chief Counsel, New Orleans, August 1975-June 1980 Trial Attorney in Tax Court Cases  
IRS Chief Counsel, Cincinnati, Ohio – Senior Trial Attorney and Special Trial Attorney – (litigated larger Tax Court cases for the IRS) June 1980-August 1988  
Mayer, Brown, Rowe & Maw (formerly Mayer, Brown & Platt) – Partner in law firm engaged in Tax Controversy Practice – September 1988 – present
10. **Government experience:** None
11. **Business Relationships:** Partner, Mayer, Brown, Rowe & Maw 1988 – present - primary clients listed below:  
United Parcel Service, Inc.

Nestlé Holding, Inc.  
 CNF Transportation  
 Eaton Corporation  
 Galderma Laboratories, Inc.  
 Hitachi America, Ltd.  
 Sony Corporation of America  
 National Semiconductor Corporation  
 Shell Oil Company  
 Tenneco Automotive  
 Mattel, Inc.  
 Akzo Nobel, Inc.  
 Sanofi-Synthelabo Inc.  
 Seagate Technology  
 Alcon Laboratories, Inc.  
 Read-Rite Corporation  
 R.J. Nabisco  
 Olympus America, Inc.  
 L'Oréal USA Products, Inc.  
 Peoples Network

**12. Memberships:**

St. Patrick's Church, Parishioner 1990-present – Lake Forest, IL  
 Kentucky Bar Association member – 1975-present  
 Illinois Bar Association member – 1988-present  
 American Bar Association member – 1990-1998

**13. Political affiliations and activities:**

- a. **List all public offices for which you have been a candidate.** None
- b. **List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.** None
- c. **Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.**

1997:	Ernest Hollings	\$1,000
1998:	Bernice Johnson	\$1,000
	Harold Ford Jr.	\$1,000
	Richard Daley	\$ 500
1999:	Portman for Congress	\$ 500
	Keep our majority PAC	\$1,000
2000:	Friends of Dylan Glenn	\$1,000
	The Freedom Project	\$1,500
	Friends of Dick Lugar Inc.	\$ 500
	Pioneer PAC	\$1,000

	Abraham Senate 2000	\$1,000
	Pryce for Congress	\$1,000
2001:	Portman for Congress	\$1,000
	Tiberi for Congress	\$1,000
	Voinovich for Senate	\$1,000
	Dan Dumezich	\$1,375
	David McIntosh	\$ 300
2002:	Pioneer PAC	\$1,000
	Hastert for Congress	\$1,000
	Jim Ryan	\$1,000
	President's Roundtable	\$1,000
	James Durkin for Senate	\$ 500

My records do not go back prior to 1997, but I believe I made contributions totaling less than \$2,000 in any year before that.

**14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)**

Xavier University Cum Laude (1972)  
 University of Kentucky College of Law, Law Journal (1973-1975), Order of Coif (1975)  
 Chief Counsel's Award, In recognition of professional excellence and outstanding service to the Office of the Chief Counsel, Internal Revenue Service (1988)  
 Regional's Counsel Certificate of Commendation (1988)  
 International Tax Review – Leading Transfer Pricing Counsel (2002)

**15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)**

1. "Transfer Pricing Document Requests and Summons Enforcement,"  
 Co-Author, *Transfer Pricing: Records and Information*, 891 Tax Management Portfolio (1995).
2. *The Guide to Transfer Pricing Compliance*, Contributing Author,  
 Thompson Publishing Group (1994).
3. Note, 1974, University of Kentucky Law Review.

**16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)**

There were no formal speeches, just outlines. Two copies of these outlines are enclosed.

“A Comparison of the Discussion Draft to Prior Law,” (By J. Goeke; International Conference on Section 482 White Paper, 10/27-28/88, Georgetown University Law Center)

“Tax Controversies and Tax Litigation and A Comparison of the I.R.C. §482 White Paper to Prior Law” (w/J. Goeke, November 1988, Chicago)

“Tax Controversies and Tax Litigation” (w/E. Ryan, J. Goeke, 11/8/88)

“An Overview of the Section 482 White Paper With Commentary” (w/J. Goeke; World Trade Institute, 2/7-8/89)

“Tax Controversies and Tax Litigation” (w/J. Goeke, 2/1/90)

“IRS Use of Summonses” (J. Goeke, World Trade Institute, Chicago, 7/19/90).

“Recent Internal Revenue Service Audit Strategies and Related Matters” (J. Goeke, Institute for International Research International Tax Planning Conference, Washington, D.C., 10/30-31/90)

“Recent Internal Revenue Service Audit Strategies and Related Matters” (J. Goeke, Institute on Current Issues in International Taxation, Washington, D.C., 12/10-11/90).

“IRS Access to Information and the Impact of Recent Cases on the IRS Use of Summonses” (J. Goeke, 1<sup>st</sup> Annual Congress on Tax Controversy, 9/25/91).

“A Second Bite at the Apple – A Summary of the New Temporary and Proposed Section 482 Regulations with Commentary on the Impact of Prior Litigation,” (with J. Goeke and G. Barton, Accounting Managers Meeting, Hitachi America, Ltd., Norman, Oklahoma, 6/24/93)

“Alternative Dispute Resolution of I.R.C. 482 Cases,” (J. Goeke), (undated, received 2/94)

“The New Transfer Pricing Regulations: Practical Aspects,” (w/J. Goeke), (Charles Rivers & Associates, New York, 11/29/94) (Booklet includes: “Reflections on Pre-Trial Strategies in Transfer Pricing Litigation,” “The Attorney-Client Privilege and the Attorney Work Product Doctrine,” “Highlights of the Final Section 482 Regulations,” “Overview of the Penalty Provisions Under Section 6662,” “Working with the Advance Pricing Agreement Process” and “Significant Section 482 Litigation”)

“Defending Significant Corporate Tax Litigation and Other Tax Related Issues,” (w/J. Goeke) (Price Waterhouse General Counsel Forum, Chicago, 2/16 & 17/95) (Booklet includes: “IRS Audit Programs and Procedures Targeted for Large Corporate Taxpayers,” “Strategies for Corporate Taxpayers Facing IRS Information Gathering Powers,” “Taxpayer Strategies in Anticipation of

Litigation,” “Current Issues in Tax Controversy,” “Reflections on Pre-Trial Strategies in Transfer Pricing Litigation,” “The Attorney-Client Privilege and the Attorney Work Product Doctrine,” “Working with the Advance Pricing Agreement Process” “Effective Use of Advance Pricing Agreements for Financial Products,” “Alternative Dispute Resolution of IRC Section 482 Cases,” “Overview of the Penalty Provisions Under Section 6662,” Nestle and Seagate Protective Orders and “Intangibles Settlement Initiative Handbook”)

“Transfer Pricing: Global Perspectives,” (w/ J. Goeke & R. Ackerman) (Ernst & Young Transfer Pricing Conference, Northwestern University, 2/22/95) (Booklet includes: “Reflections on Pre-Trial Strategies in Transfer Pricing Litigation,” “The Attorney-Client Privilege and the Attorney Work Product Doctrine,” “Highlights of the Final Section 482 Regulations,” “Overview of the Penalty Provisions Under Section 6662,” and “Significant Section 482 Litigation” )

“The Attorney-Client Privilege and The Attorney Work Product Doctrine,” (w/ J. Goeke) (United Parcel Service Presentation, 11/3/95)

“Intangible Assets Today,” (J. Goeke) (Northwestern University, 2/21/96)

“Intercompany Transactions: Finding Safe Havens, Supporting Pricing Analysis, and Avoiding Penalty Provisions” and “The Attorney-Client Privilege and The Attorney Work Product Doctrine” (J. Goeke) (SMH Meeting, Washington, D.C., 5/16/96)

“Tax Executives Institute” (J. Goeke and G. Barton) (Chicago, 10/21/96) (Booklet includes: “Avoiding § 6662(e) Penalties,” “Responding to IRS Requests for Documents and Information” and “The Attorney-Client Privilege and The Attorney Work Product Doctrine”)

“Highlights of Section 482 Tangibles Regulations,” (J. Goeke) (Global Educational Services, Section 482 Transfer Pricing Seminar, Chicago, 7/24/97)

“Real Time IRS Exam Issues,” (w/G. Barton, J. Goeke, R. Jones, W. Kaplan, T. Kittle-Kamp, W. Schmalzl and C. Triplett) (Tax Executives Institute (TEI), Santa Clara Valley Chapter, 5/19/98) (Booklet includes: “Responding to IRS Requests for Information,” “Section 6662 Documentation,” “The Attorney-Client Privilege and the Attorney Work Product Doctrine,” “Permanent Establishment,” “Current Issues in US and Foreign Competent Authority and Related Matters,” “Subpart F and Contract Manufacturing Activities,” “Transfer Pricing of Intangibles: Examination Problems and Approaches” and “Substance Over Form”)

“Current International Tax Audit Issues with Section 482,” (J. Goeke) (TEI Tax Conference, Santa Clara, California, 7/20/99) (Booklet includes: “The Changing Arena of Tax Controversies,” “Responding to IRS Requests for Documents and Information,” “Attorney-Client Privilege and Work Product Doctrine,” “Avoiding Section 6662(e) Penalties,” “Substance Over Form,” “Permanent Establishment,” and “Advance Agreements with the IRS”)

"Recent Developments and Trends in US Tax Court," (J. Goeke) (International Tax Institute, 10/20/99)

"Recent Developments and Trends in the United States Tax Court," (J. Goeke) (American Bar Association Tax Section Personal Service Organizations Committee, San Diego, California, 1/21/00)

"Transfer Pricing," (J. Goeke w/ J. Lucchesi & J. Godshaw (Arthur Andersen)), OFII Tax Conference, Scottsdale, Arizona, 5/11/00)

"Temporary and Proposed Tax Shelter Regulations, Circular 230, and Other Tax Planning Issues," (w/J. Goeke & T. Kittle-Kamp)(Tax Executives Institute (TEI), Chicago, 9/25/01)

"Recent Trends in Tax Litigation," (J. Goeke) (International Tax Institute, New York, 10/17/01)

"UPS/OPL Tax Case," (J. Goeke) (Tax Executives Institute (TEI), Louisville, 10/18/01)

**17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)**

Since 1975 I have been engaged in federal tax litigation, primarily in the Tax Court. I have been a respected member of the federal tax bar for over 27 years. I have been counsel in over 50 tax trials including roughly 20 small Tax Court cases I tried while with District Counsel's Office of the IRS in New Orleans, Louisiana. I worked 13 years in the Chief Counsel's Office as a litigator and I received increasing levels of responsibility during that time. Since becoming a partner at Mayer, Brown, Rowe & Maw in 1988, my practice has been focused exclusively on corporate federal tax controversies at all administrative levels and in litigation.

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

**1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.**

Yes.

**2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.**

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes, the full term.

**C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

Nothing other than investments listed in the Financial Disclosure Report, my former firm, Mayer, Brown & Platt, and my former clients as listed in response to Number 11.

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None.

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

None.

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)

I will recuse myself from work on the specific case.

5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

Not applicable.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Not applicable.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

Civil annulment of my first marriage in late 1976 or early 1977, in Columbus, Ohio.

4. Have you every been convicted (including pleas or guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be, reasonably requested to do so?

Yes.

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes.

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PREPARED STATEMENT OF CHARLOTTE R. LANE

I wish to thank the Chairman, Senator Grassley, and Ranking Member, Senator Baucus, and all the Finance Committee Members for making room in the busy schedule of this Committee to conduct this hearing on my nomination to the United States International Trade Commission. Because I had a hearing in June, 2002 and because my life hasn't changed much since then, I am resubmitting the same statement I prepared then.

I am a West Virginian, born and bred. I came from a small town on the Ohio River, and grew up with friends and relatives that had ties to agriculture, natural resource production and manufacturing activities. Unlike some areas, where being raised on a farm can place you so far from industrial activities that you can grow



up with little direct connection to or understanding of the bricks, mortar and smokestacks of industry, my family's modest farm was located literally in the shadow of a large power plant, in the middle of an oil and natural gas production area and within a few miles of chemical plants, glass plants and other industrial facilities. All involved in domestic and international trade. In fact, my dad actually worked as a laborer at a chemical plant within 3 miles of our farm. He was a member of the Oil, Chemical and Atomic Workers (OCAW) International Union. I grew up aware of the vibrant industrial pulse of this country, watching barge tows moving commodities along the Ohio River. It is that background that helped me to understand, from an early age, the diversity of industry in this country.

As far as professional background is concerned, my experience practicing law for thirty (30) years, and my service as a State Legislator and as a State Regulatory Commissioner provide me with a unique understanding of the responsibilities and functions of a quasi-judicial, Administrative Body like the ITC. I recognize that, should I be confirmed, I will be expected to perform my judicial responsibilities based on evidence in a fair and impartial manner.

I have spent approximately ten years as a Commissioner on the Public Service Commission of West Virginia. Almost 4 years of that tenure on the Commission were as Chairman. This experience has given me the opportunity to consider the financial impact of utility rates on the regulated utilities and on their customers. While some may consider public utilities as being the antithesis of industries operating in competitive markets, it is the financial and economic evaluation function, not the industries involved, that frame the similarities in duties between my present State Regulatory position and a position on the ITC. My experience as a regulatory commissioner will be valuable in weighing the issues that would come before me for adjudication as a commissioner on the ITC if I am confirmed by the Senate. As a State Regulator in West Virginia, I have learned to evaluate competing, and sometimes conflicting, expert testimony and evidence relating to financial and economic history and projections and to use that evidence to arrive at decisions that fairly consider and balance the interests of all parties.

I further recognize that my focus and energies must be trained on applying the law and legislative intent as set forth by Congress. It is not the duty of an Administrative Agency to make the law. My experience as a State Commissioner has helped me to understand the wisdom of that requirement, and I will carry that understanding with me in practice, if you afford me the opportunity to serve on the ITC.

Finally, part of the responsibility of the ITC and an ITC Commissioner is to be responsive to the informational needs of Congress as you consider policy and legislative direction. I know how important it was to me as a member of the State Legislature to be able to rely on unbiased and intellectually honest advice from Administrative Agencies. I will not forget those lessons and, if you give me the opportunity, I will commit to be always mindful of your needs for such unbiased and honest advice whenever such advice on trade related matters is sought.

In closing I would simply say that I felt honored when I was told that I was even being considered for this position. I was even more honored to be the President's nominee. I hope that your evaluation of my background, qualifications, dedication to duty and commitment to perform in the best interest of all citizens of our country will allow you to confirm me as a Commissioner of the International Trade Commission. If you afford me that honor, I will accept it with humility and the dedication to public service that you have every reason to expect.

Thank you.

**BIOGRAPHICAL INFORMATION**

1. Name: Charlotte Ann Rolston Lane
2. Position to which nominated: Commissioner, United States International Trade Commission.
3. Date of nomination: June 7, 2002.
4. Address: Home: 914 Chestnut Road, Charleston, WV 25314  
Office: 201 Brooks Street, Charleston, WV 25301
5. Date and place of birth: August 12, 1948, Parkersburg, WV.
6. Marital Status: Divorced.
7. Name and ages of children: Anne Hatton Lane, 23 years old.
8. Education: West Virginia University  
Morgantown, West Virginia  
West Virginia College of Law  
1972, J.D. Degree  
  
Marshall University  
Huntington, West Virginia  
Graduated 1969, A.B. Degree  
(Journalism and Political Science)  
  
St. Marys High School  
St. Marys, West Virginia  
Graduated, 1966  
  
Belmont Grade School  
Pleasants County, West Virginia
9. Employment record: Present: Commissioner  
West Virginia Public Service Commission  
Term expires June 30, 2003  
  
1997 - January, 2001: Chairman  
West Virginia Public Service Commission

1990 - 1997: Law Firm of Dodson, Riccardi & Lutz  
Charleston, West Virginia  
Concentration: Regulatory Issues

February 13, 1985 - Commissioner  
February 1, 1989: West Virginia Public Service Commission

April 1987 - Interim United States Attorney  
May 1987: Southern District Court of West Virginia

1980 - 1985: Law Firm of Jackson & Kelly.

1974 - 1980: Law Firm of Fowler, Paterno & Lane.

1973 - 1974: Staff Counsel  
West Virginia Housing Development Fund

Staff Counsel to The Judiciary Committee  
of the West Virginia House of Delegates  
during the regular sessions in 1973, 1974,  
1975, 1976 and 1977.

10. Government experience: None, other than listed above.
11. Business relationships: None, except for clients represented while I was engaged in the private practice of law. (See items below).
12. Memberships: Past President, Charleston Rotary Club, 1998-99;
- Board, Charleston Chamber of Commerce, November 1999 to present;
- Past President, West Virginia Bar Association, 1999-2000;
- Board of Governors, West Virginia State Bar, May, 1999 to May, 2002;
- Member, West Virginia State Bar, 1972 to present;
- Member, Fourth Circuit Judicial Conference, 1987 to present;
- Board Member, National Association of Regulatory Utility Commissioners, November, 1999 to present; and
- Past President, Mid-Atlantic Conference of Regulatory Utilities

Commissioners, 1999-2000.

13. Political affiliations and activities:

a. List all public offices for which you have been a candidate:

1979-1980; 1984: 1990-1992	Member of the West Virginia House of Delegates from Kanawha County Major Committee: Judiciary
1980, 1982: (Lost)	Candidate for WV House of Delegates (Kanawha County)
1988 General Election: (Lost)	Republican Nominee - Justice - WV Supreme Court of Appeals
1992 General Election: (Lost)	Republican Nominee - Circuit Judge - Circuit Court of Kanawha County, Division III
1996 General Election: (Lost)	Republican Nominee - Attorney General - State of West Virginia

b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years:

I have been a member of the Kanawha County Republican Women's Club. I was elected as a delegate to the Republican National Conventions in 1992, 1996, 2000 and was an alternate in 1988.

c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years:

I cannot remember all of the contributions but the ones I do remember are as follows: Shelley Moore Capito, candidate for re-election to the U.S. House of Representatives, \$1,000 - April, 2002; Shelley Moore Capito, General Election 2000, \$250; Governor Cecil H. Underwood, candidate for re-election 2000, \$2,000 (primary and general); and I have made various contributions to local candidates for the West Virginia House of Delegates and the West Virginia State Senate.

14. Honors and awards: Certificate of Merit, W.Va. State Bar, 1988; and Distinguished Alumni Award, Marshall University, 2002.

15. Published Writings: None, except for the West Virginia University College of Law.

Law Review in 1971-72.

16. Speeches: While I was Chairman of the West Virginia Public Service Commission, I made numerous speeches from 1997 - 2001 on utility issues, including water, sewer, electric, telephone, gas, railroad and truck safety and I have also had newspaper columns during the same period of time. (I did not keep copies).

17. Qualifications: I have been a practicing lawyer for 30 years. I have represented a broad range of clients and have practiced before federal, state and local courts.

I have represented the people of West Virginia as a member of the West Virginia House of Delegates and as a Commissioner and Chairman of the West Virginia Public Service Commission. My experience and interest in serving the public qualify me for this position.

As Chairman and as a Commissioner on the Public Service Commission, I have presided over complex issues, including rate cases and mergers and acquisitions of utilities. I have also advised the Governor and the Legislature on utility and energy issues.

I have the ability to listen to staff advisors on issues, without being totally dependent upon staff.

My strongest attribute is the ability and willingness to listen to all sides of an issue, keep an open mind, weigh all the issues and interests and reach a fair and reasonable decision.

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes, except for my membership in the W.Va. State Bar and the W.Va. Bar Association.

2. Do you have any plans, commitments or agreement to pursue outside employment, with or without compensation, during your service with the government? If so, provide details:

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full-term or until the next Presidential election, whichever is applicable? If not, explain.

Yes.

### **C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None, that I am aware of.

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None, that I am aware of.

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

While I was Chairman of the Public Service Commission (1997-2000), I advocated the passage of electric restructuring in West Virginia. As a member of the NARUC Electric Committee and Board of Directors (1997 to present), I have voted on the various resolutions relating to utility issues; which resolutions have been sent to Congress.

In 1997 - 1998, I appeared before the Transportation Committees in Congress (Both House and Senate) speaking about transportation issues.

In 1990 - 1992, when I was in the W.Va. House of Delegates, I voted on various issues.

4. Explain how you will resolve any potential conflicts of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements).

I have no trusts or agreements. If conflicts arise, I would simply not vote or divest myself of the investment causing the conflict, or I will take other appropriate action.

5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer or the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

Not applicable.

6. The following information is to be provided only by the nominees to the positions of the United States Trade Representatives and Deputy United States Trade Representative:

Not applicable.

Have you ever represented, advised or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g. March to December 1995), and the number of hours spent on the representation.

Not applicable.

#### **D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

In 1992, when I was a candidate for a county judicial office, someone filed a complaint with the judicial inquiry commission relating to campaign statements I made. The complaint was later dismissed as unfounded.

2. Have you ever been investigated, arrested, charged or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

In my capacity as Chairman of the Public Service Commission, I had grievances filed by employees relating to salary issues, work assignments or promotion issues. (All were successfully decided in my favor or settled with the employee. One case involved the

elimination of a position is pending in the Circuit Court of Kanawha County, West Virginia.

4. Have you ever been convicted (including pleas of guilty or nolo contendere) of any criminal violation other than minor traffic offense? If so, provide details.

No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

See attachment 1.

#### **E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes.

2. If you are confirmed by Senate, are you willing to provide such information as is requested by such committees?

Yes.

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#### PREPARED STATEMENT OF DANIEL R. PEARSON

Chairman Grassley, Ranking Member Baucus, and Members of the Committee, I very much appreciate the opportunity to appear before you today. First I'd like to thank Senators Dayton and Coleman for their support. If the hearing schedule had allowed, both of them had offered to be here for a personal introduction. I'd also like to offer thanks to your former colleague, Senator Boschwitz, for the confidence he showed in me during this six years I worked for him. He taught me a great deal about the importance of public service and the process of governing.

Second, as a former Senate employee, it is a particular honor to be considered for confirmation by this body. Not many people have that opportunity. When I worked for Senator Boschwitz, I reviewed the papers of a number of nominees subject to Senate confirmation, attended their hearings, and worked with them after their confirmations. When I left the Senate 16 years ago, I never would have imagined that someday I would be back as a Presidential nominee. It is indeed an honor to be nominated by President Bush and to be considered for confirmation by the U.S. Senate.

Third, I appreciate the role of the International Trade Commission as an independent, nonpartisan, quasi-judicial and fact-finding agency. Like any organization, I believe that the ITC will operate most effectively if commissioners work together in a collegial and professional way. I understand that this is the case at the Commission and, if confirmed, I will do my best to continue in that tradition. In my view, a willingness to listen carefully to others' points of view and a professional approach to decision making can go a long way toward making an organization like the ITC run well.

Fourth, I recognize that there is a strong interest in having people on the Commission who have a background and expertise in agriculture. It's true—I've been involved in agriculture throughout my career, either as a farmer or as an analyst of policies involving agriculture, food or international trade. I especially appreciate the support shown in the letter sent by 16 farmer organizations on behalf of my nomination. Even so, I recognize that a great deal of the work of the International Trade Commission is focused on issues other than agriculture. I am confident that the breadth of my experience, both in government and the private sector, has prepared me for the rigorous intellectual demands required of a commissioner. I pledge that, if confirmed, I will work diligently to apply the laws written by Congress with integrity, in good faith, and in an objective and vigorous manner. I recognize the seriousness of the Commission's decisions, and, if confirmed, will do my best to fulfill faithfully the important decision-making responsibilities entrusted to a commissioner.

Thank you, Mr. Chairman. That concludes my statement.



**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

**1. Name: (Include any former names used.)**

Daniel Robert Pearson

**2. Position to which nominated:**

Commissioner, U.S. International Trade Commission

**3. Date of nomination:**

November 13, 2002

**4. Address: (List current residence, office, and mailing addresses.)**

3318 Saddlestone Court  
Oakton, VA 22124-1910

Cargill, Incorporated  
1101 15<sup>th</sup> Street, N.W.  
Suite 1000  
Washington, DC 20005-5082

**5. Date and place of birth:**

October 2, 1953; Mora, MN

**6. Marital status: (Include maiden name of wife or husband's name.)**

Married, Cynthia (Johnson) Pearson

**7. Names and ages of children:**

Nicholas Edward Pearson, 13  
Louisa Christina Pearson, 10

**8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)**

Ogilvie High School; Sept. 1968 – May 1971; diploma, May 1971

University of Minnesota; Sept. 1971 – June 1975; B.S. Agricultural and Applied Economics, June 1975

University of Minnesota; Sept. 1975 – June 1977; M.S. Agricultural and Applied Economics, June 1977

**9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)**

Farmer; self-employed; Ogilvie, MN; Dec. 1978 – Feb. 1981

Agricultural Legislative Assistant; Sen. Rudy Boschwitz; Washington, DC; Feb. 1981 – Feb. 1987

Assistant Vice President, Public Affairs; Cargill, Incorporated; Minnetonka, MN and Washington, DC; March 1987 - present

**10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)**

Agricultural Policy Advisory Committee (USDA/USTR)

**11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)**

Assistant Vice President, Public Affairs, Cargill, Incorporated

1/3 owner of a farm in Kanabec County, MN

**12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)**

U.S. Grains Council; Executive Committee, Trade Policy Committee and Trade Policy Advisory Team

National Oilseed Processors Association; Government and Public Relations Committee and Industry and Grower Relations Committee

**13. Political affiliations and activities:**

**a. List all public offices for which you have been a candidate.**

None

**b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

Republican Party, phone bank volunteer in Minnetonka, MN

**c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.**

8-13-95	MN House IR Victory Fund	\$75
3-24-96	People for Boschwitz '96	200
9-23-96	Friends of Jim Harsdorf	100
11-3-96	Republican Party of MN	50
2-23-97	Republican Party of MN	50
3-16-97	House Republican Victory Club	50
9-6-98	Minnesotans for Coleman	100
12-5-98	National Republican Senatorial Committee	50
2-2-99	Grams for U.S. Senate	100
4-17-99	Jim Ramstad Volunteer Committee	50
1-15-00	Grams for U.S. Senate	100
2-20-00	MN House Republican Campaign Committee	50
2-20-00	Bush for President, Inc	100
7-6-00	Kline for Congress	50
7-6-00	MN House Republican Campaign Committee	50
7-16-00	Jim Ramstad Volunteer Committee	50
7-16-00	Grams for U.S. Senate	100
7-16-00	Bush for President, Inc	100
9-23-00	Grams for U.S. Senate	100
9-23-00	Republican National Committee	50
9-23-00	Bush for President, Inc	100
9-29-00	Kennedy for Congress	50
12-2-00	Bush-Cheney Recount Fund	50
3-8-01	MN House Republican Campaign Committee	50
5-19-01	Jim Ramstad Volunteer Committee	50
5-19-01	MN House Republican Campaign Committee	50
6-23-01	Coleman for Senate Exploratory Committee	100

1-5-02	MN House Republican Campaign Committee	50
1-5-02	Coleman for U.S. Senate	100
1-13-02	MN House Republican Campaign Committee	50
4-12-02	Brose McVey for Congress	100
7-5-02	Coleman for U.S. Senate	50
8-22-02	Coleman for U.S. Senate	100
8-24-02	Jim Ramstad Volunteer Committee	50
8-24-02	Mark Kennedy '02	50
10-4-02	Kline for Congress	50

In addition, I have made contributions via payroll deduction to the Cargill Political Action Committee in each of the past 10 years. In recent years, the amount has been \$720 per year. I am unable to locate details of earlier contributions to the Cargill PAC, but they were smaller.

**14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)**

Tozer Foundation Scholarship	1971-1975
Minnesota State Scholarship	1971-1975
Caleb Dorr Award	1972-1974
Food and Fiber Scholarship	1973
Ralston Purina Scholarship	1974
Burlington Northern Scholarship	1975
Bush Foundation Fellowship	1975-1977

**15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)**

Houck, James P. and Pearson, Daniel R. *Official Production Estimates for Corn and Soybeans: Preparation and Accuracy*, Minnesota Agricultural Economist, University of Minnesota, 1976.

Pearson, Daniel R. *NAFTA Commentary*, The Cargill Bulletin, April 1997.

Pearson, Daniel R. *Soybean Commentary*, The Cargill Bulletin, June 1998.

(Note: I have written earlier articles for The Cargill Bulletin that I am unable to locate. I have not written anything for a non-Cargill publication since being employed by the company.)

**16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)**

"Trade Policy Issues for Grains and Oilseeds." Presented to the China Grain Market Outlook Symposium, Beijing, 11-18-98

"The International Trade Environment." Presented to Agriculture Australia 1999, Sydney, New South Wales, 8-18-99

(Note: I have spoken other times in public using only informal notes.)

**17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)**

I have substantial experience in agriculture, both in farming and in agricultural policymaking. In addition, my training in economics has been helpful in understanding policy issues, so is likely to be useful in my work at the ITC.

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

- 1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.**

Yes

- 2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.**

No

- 3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.**

No

- 4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.**

Yes

**C. POTENTIAL CONFLICTS OF INTEREST**

1. **Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.**

I have some holdings of common stock that potentially could require recusal. These are detailed in my ethics agreement.

2. **Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

Cargill, Incorporated is involved in several businesses that potentially could have issues before the ITC. My relationship with Cargill will terminate prior to when I begin service as an ITC commissioner. I will recuse myself from Cargill-related issues as indicated in the ethics agreement.

3. **Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.**

For the past ten years I have done policy analysis and advocacy work for Cargill, Incorporated. In that capacity, I have lobbied for or against various pieces of legislation, primarily dealing with agricultural or trade policy issues. I also have had contact with policymakers in the executive branch, principally the Department of Agriculture, the Department of Commerce and the White House.

4. **Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)**

In the event conflicts arise, I will recuse myself.

5. **Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.**

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None

**E. TESTIFYING BEFORE CONGRESS**

- 1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?**

Yes

- 2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?**

Yes

RESPONSES TO QUESTIONS FROM SENATOR BAUCUS

*Question 1:* Section 330 of the Tariff Act of 1930 states that a Commissioner of the International Trade Commission must be “possessed of qualifications requisite for developing expert knowledge of international trade problems”. Please describe how you meet this requirement.

*Answer:* I began developing in-depth knowledge of international trade problems in the early 1980s when I coordinated the work of the Senate Committee on Agriculture, Nutrition and Forestry Subcommittee on Foreign Agricultural Policy. The Subcommittee organized hearings, staff briefings and overseas travel to build understanding of trade issues. The Subcommittee also worked closely with administration officials in the Department of Agriculture and the Office of the U.S. Trade Representative in pursuit of U.S. trade objectives. Much of my work for Cargill also has been focused on trade, particularly issues facing the oilseed processing and corn wet-milling businesses. I have served two terms on the Agricultural Policy Advisory Committee for Trade (APAC) as a nominee of the National Oilseed Processors Association.

*Question 2:* Do you have any specialized academic training in international trade or international trade law?

*Answer:* I was exposed to international trade theory during my graduate studies in agricultural and applied economics.

*Question 3:* Do you have any specialized knowledge of trade remedy laws such as antidumping, countervailing duty, section 337, or safeguard laws?

*Answer:* While I have no specialized knowledge, in the positions detailed under question 1, I did work generally with U.S. trade remedies as well as foreign application of similar remedies.

*Question 4:* Have you participated in any conferences or other types of professional development courses relating to trade remedy laws?

*Answer:* I have attended conferences in which trade remedies were discussed. I have not attended a conference dedicated to trade remedy laws.

*Question 5:* Have you written any articles or given any speeches relating to trade remedy laws? (If yes, please provide copies.)

*Answer:* To the best of my knowledge I have never written an article or given a speech focusing on trade remedy laws.

*Question 6:* Have you ever served in a quasi judicial, decision-making capacity?

*Answer:* No.

*Question 7:* What experience do you have as an investigator or finder of fact?

*Answer:* I have done academic research in applied economics. When working for Senator Boschwitz, I gained some experience in listening to arguments and weighing the merits of both sides of issues. My work as a policy analyst for Cargill has required me to investigate issues in detail.

*Question 8:* Have you ever written a document or developed a policy that was subject to judicial review?

*Answer:* When working for Senator Boschwitz, I helped develop provisions that became law and potentially could have been subject to judicial review. To the best of my knowledge, no provisions with which I was closely involved actually have been subject to review.

*Question 9:* Do you have any academic training or professional experience in the area of intellectual property law?



*Answer:* I have been exposed to intellectual property at Cargill, but I have had no specialized training in this regard.

*Question 10:* What steps are you taking or will you take to become more familiar with U.S. trade law and how it is administered by the ITC, as well as current issues surrounding ITC activities? Please be specific as to any individuals who are advising you in this regard, including any individual you consulted prior to your formal nomination to the International Trade Commission.

*Answer:* I have been reviewing the statutes and various ITC publications and papers to understand better the scope of the Commission's activities. I have met with several former commissioners as well as all current commissioners. I also have met a number of ITC staff and have relied heavily on the guidance of General Counsel Lyn Schlitt, Carol Verratti from the Office of the General Counsel and Congressional Affairs Officer Nancy Carman. If confirmed, I would intend to consult closely with the other commissioners and the ITC staff to ensure that my decisions are consistent with the law. I have heeded the advice of legal counsel all through my professional career and would continue to do so as a commissioner.

*Question 11:* During your time as an employee of Cargill, has Cargill been a party to any proceedings before the International Trade Commission and, if so, what role have you played?

*Answer:* Yes, Cargill's involvement in proceedings before the ITC is a matter of public record. The ITC is compiling a list of those cases that I will be able to provide when it is completed. I have played no role in those proceedings.

#### Cargill Research in Response to Sen. Baucus' Question 11

*The following information represents the Commission's best efforts to fully and accurately provide any cases to which Cargill or North Star Steel was a party to ITC proceedings from 1987 through the present.*

Inv. No. AA-1921-127 (Review)

Approximate dates of the investigation. 7/28/98 to 11/15/98.

*Elemental Sulphur from Canada* on behalf of Cargill Fertilizer, Inc. Cargill is an industrial user of elemental sulphur and **party** to the investigation providing a written submission.

Inv. No. TA-201-69

Approximate dates of the investigation. 1/12/99 to 7/99.

*Certain Steel Wire Rod.* North Star Steel is co-petitioner (**party**).

Inv. No. TA-201-73

Approximate dates of the investigation. 6/01 to 2/02.

*Carbon Steel Products* - North Star Steel filed comments in the remedy phase, as a **party** to the investigation.

Inv. No. TA-204-4

Approximate dates of the investigation. 12/15/00 to 4/15/01.

*Wheat Gluten: Extension of Action* on behalf of Cargill Polska Sp. Z.0.01, a wheat gluten producer in Poland appearing as a **party**.

Inv. No. TA-204-6

Approximate dates of the investigation. 3/01 to 10/01.

*Certain Steel Wire Rod* - North Star Steel Texas, Inc. is a **party**.

Inv. No. NAFTA-312-1

Approximate dates of the investigation. 7/24/01 to 10/17/01

*Certain Steel Wire Rod:* North Star Steel Texas, Inc. is a petitioner (**party**). Investigation pursuant to section 312(c) of the North American Free Trade Agreement Implementation Act.

Inv. No. 701-TA-363-364, and 731-TA-711-717

Approximate dates of the investigation. 1995 to 1996.

*Oil Country Tubular Goods from Argentina, Austria, Italy, Japan, Korea, Mexico and Spain.* North Star Steel Ohio, a division of North Star Steel Company, was a **party** to the investigation.

- \* Continued Dumping and Subsidy Offset Act of 2000 (Byrd Amendment)-- OCTG-Japan-- Inv. 731-TA-714 cited in letter of 9/20/01 from Schagrinn on behalf of North Star Steel of Youngstown, Ohio

Inv. No. 701-368-371

Approximate dates of the investigation. Preliminary - 2/97 - 4/97; Final - 5/97 - 3/98.

*Certain Steel Wire Rod from Canada, Germany, Trinidad and Tobago, and Venezuela.* North Star Steel Texas, Inc. is co-petitioner (**party**).

Inv. No. 701-253 (Review)

Approximate dates of the investigation. 4/27/99 to 8/9/00.

*Oil Country Tubular Goods from Israel, Canada and Taiwan:* Notice of Entry of Appearance. North Star Steel Ohio entered an appearance as a **party**.

Inv. No. 701-364 (Review)

Approximate dates of the investigation. 6/00 to 10/01.

*Oil Country Tubular Goods from Argentina, Italy, Japan, Korea, and Mexico.* North Star Steel Ohio was a **party** to the investigation.

Inv. No. 701-364 (NAFTA)

Approximate dates of the investigation. 9/01 to 3/02

*Oil Country Tubular Goods from Mexico,* USA-MEX-01-1904-03, North Star Ohio was a **party**. Attorneys withdrew appearance in March, 2002..

Inv. No. 701-417-421

Approximate dates of the investigation. Preliminary - 8/01 to 10/01; Final - 2/02 to 10/02.

*Carbon and Certain Alloy Steel Wire Rod from Brazil, Canada, Germany, Indonesia, Mexico, Moldova, Trinidad and Tobago, Turkey, and Ukraine* Co-Petitioner, North Star Steel Texas, Inc. (**party**).

Inv. No. 731-TA-326

Approximate dates of the investigation. 5/9/86 to 3/12/87.

*Frozen Concentrated Orange Juice from Brazil.* Cargill Citro-America, Inc. was a **party** to the investigation.

Inv. No. 731-TA-340

Approximate dates of the investigation. 7/16/86 to 7/1/87.

*Urea from East Germany, Romania, and the Union of Soviet Socialist Republics.* Cargill, Inc. was a **party** to the investigation.

Inv. No 731-TA-863

Approximate dates of the investigation. 12/15/99 to 2/8/00.

*Citric acid and Sodium Citrate from the People's Republic of China.* Cargill is co-petitioner (**party**).

Inv. No. 731-955 (Remand)

Approximate dates of the investigation. 7/02 to 8/02.

*Carbon and Certain Alloy Steel Wire Rod* - co-petitioner, North Star Steel Texas, Inc. (party).

Inv. No. 131(b)-014

Approximate dates of the investigation. 12/23/88 to 6/23/89.

*Probable Economic Effect on U.S. industries and Consumers of Modification of U.S. Tariffs and Modification or Removal of Certain U.S. Tariff Measures.* Cargill Citro-America, Inc. (Statement-- received 3/13/89).

Inv. No. 332-256

Approximate dates of the investigation. 7/6/88 to 3/31/89.

*The Western U.S. Steel Market.* North Star Steel Texas, Inc. (Statement-- received 10/26/88)

Inv. No. 332-344

Approximate dates of the investigation. 6/9/93 to 6/30/95.

*The Economic Effects of Antidumping and Countervailing Duty Orders and Suspension Agreements.* Cargill Inc. (Post-Hearing Brief-- received 11/4/94).

Inv. No. 332-396

Approximate dates of the investigation. 8/3/98 to 3/31/99.

*Economic Trends and Barriers to Trade in Products Covered by the WTO Agreement on Agriculture.* Comments from Cargill, Inc. Regarding economic trends and barriers to trade in products cover by the WTO Agreement on Agriculture. Cargill did not enter an appearance as a party.

Inv. No. 332-429

Approximate dates of the investigation. 4/2/01 - 12/21/01.

*Wheat Trading Practices* - Cargill, Inc. is a non-party responding to questionnaire.

*Question 12:* Can you describe broadly Cargill's policy approach to trade remedy laws and what your personal role has been in shaping or advancing that policy?

*Answer:* I have not been involved in developing Cargill's approach to trade remedy laws. That policy has been shaped by Cargill's businesses in conjunction with legal counsel. The emphasis of my position has been to enhance market access for U.S. agricultural commodities overseas.

*Question 13:* Have you personally or in your capacity as an employee of Cargill or has Cargill itself (during your term of employment) ever advocated or supported any proposal to make any substantive change to U.S. trade remedy laws (including antidumping, countervailing duty, section 337, or safeguard laws)?

*Answer:* My understanding is that Cargill was part of a coalition that lobbied on behalf of legislation to implement the Uruguay Round. That legislation made changes in U.S. trade remedy laws to bring them into conformity with the new WTO agreement. I was not involved in lobbying in connection with that effort.

*(a) If you or Cargill has ever publicly advocated amendments to U.S. anti-dumping and countervailing duty law that would substantially weaken these laws, can you administer the laws as Congress intended?*

I did not publicly advocate any position. I am not familiar with Cargill's public advocacy in this regard, but regardless, I am confident that I would faithfully administer all U.S. laws.

*(b) Do you support the amendments to U.S. trade laws advocated by Cargill, including a consumer interest exception to be considered before relief is granted in countervailing duty and antidumping cases?*

I'm not aware of such amendments.

*Question 14:* Have you personally or in your capacity as an employee of Cargill or has Cargill itself (during your term of employment) ever advocated or supported any proposal to make any substantive change to the WTO Antidumping Agreement, Agreement on Subsidies and Countervailing Duties, or Safeguards Agreement?

*Answer:* To the best of my knowledge, I have not advocated or supported any such proposals.

*Question 15:* Describe your involvement in the Agricultural Policy Advisory Committee for Trade (APAC) and, in particular, the extent to which you have addressed trade remedy issues in your capacity as a member of APAC. Please describe in de-

tail any formal position the APAC has taken with respect to trade remedy laws or specific trade remedy investigations.

*Answer:* I am attempting to be responsive to this question in a timely manner and have contacted the Office of the General Counsel at USTR. I have been advised that the APAC is administered by the Department of Agriculture and I have contacted USDA in that regard.

*Question 16:* What other industry groups have you participated in either on behalf of Cargill or in your personal capacity? Have any of those groups addressed trade remedy laws? Please describe in detail any formal position any of these groups has taken with respect to trade remedy laws or specific trade remedy investigations.

*Answer:* I have been active in the National Oilseed Processors Association and the U.S. Grains Council. To my knowledge, neither of those organizations has addressed trade remedy laws. Although I have not held any formal position with the Corn Refiners Association, I have been involved in some of that organization's deliberations regarding the sweetener dispute with Mexico. To the extent that those deliberations have touched on trade remedy laws, they have dealt with the laws of Mexico, not the United States.

*Question 17:* In an article in the Cargill Bulletin in April 2000, you wrote that "Indifference to liberalizing trade with Chile is symptomatic of the broader malaise currently afflicting U.S. trade policy . . . . The United States also leads in the use of antidumping measures against imported products. By the end of 1995, it had 294 such measures in effect—more than twice the number of any other country." Please explain why you consider the existence of antidumping orders to be evidence of "indifference to liberalizing trade." Do you believe your views on this subject would affect your ability to perform the duties of an ITC Commissioner?

*Answer:* In order to provide answers to these questions within the requested time frame, I am writing this while away from Washington on business travel. Thus, I do not have the cited article with me and am not able to read the quotes in context. My recollection of the article is that it expressed concern that progress toward trade liberalization was slowing. Since the U.S. agricultural economy is heavily dependent on exports, any delay in obtaining improved access to other countries' markets serves to undermine the economic viability of the farm sector. I do not believe my views as expressed in this article would affect my ability to perform the duties of an ITC commissioner.

*Question 18:* In the June 1998 Cargill Bulletin you wrote: "Now more than ever, the global community needs to choose: Countries can proceed with domestic reforms and global trade agreements aimed at rewarding efficiency and improving the flow of goods and services from one country to the next, or they can look inward to policies that protect vocal domestic special interests at the expense of others and shut down commerce. This choice is particularly critical in the food sector, where policy mistakes can lead to mounting hunger even as global stockpiles grow." Were you including antidumping, countervailing duty and safeguard measures within the category of "policies that protect vocal domestic special interests at the expense of others and shut down commerce"? Is it your belief that trade remedy measures are not appropriate in the food sector?

*Answer:* I don't have this article with me, either. I have some experience with policies of other countries that shut down commerce. Most of that experience has come from dealing with policies other than trade remedies. Those include: sanitary/phytosanitary measures, such as the EU ban on beef raised with the benefit of hormones or Russia's restrictions on chicken imports; specific varietal requirements that prevent U.S. wheat from entering normal commerce in Canada; restrictive administration of tariff-rate quotas; technical barriers to trade, such as the EU moratorium on the registration of new biotechnology products; and the operation of import licensing regimes inconsistent with WTO rules. I have seen situations in which I believe other countries have applied trade remedy measures capriciously, thus having the effect of restricting trade in response to domestic special interests. My view is that trade remedy measures, applied in accordance with U.S. law, are appropriate for the food sector.

*Question 19:* As an ITC Commissioner, you would be called upon to address cases in which the WTO Appellate Body has found that ITC practice is inconsistent with WTO rules. In general, how do you believe that the ITC should [handle?] these cases? When a WTO decision concerns the ITC's interpretation of the law in a specific case, how do you believe that the ITC should implement such a decision and on what timetable?

*Answer:* I believe these cases should be handled in accordance with U.S. law, including the applicable timetable.

*Question 20:* Where an adverse WTO ruling on ITC practice concerns a specific case, to what extent do you believe that the ITC should take that decision into consideration in deciding future cases under the same provisions of U.S. law?

*Answer:* The facts of each case are different. Thus, it isn't clear that one case could or should set a precedent for another case.

*Question 21:* In question (20) of the first set of written questions, you were asked to what extent you believe the ITC should take an adverse WTO ruling in one case into consideration in deciding future cases under the same provisions of U.S. law. You responded that, because the facts of each case are different, it is not clear that one could set a precedent for another. I think that answer is somewhat incomplete, in that it does not address the situation where the WTO has ruled against the United States with respect to a legal issue or with respect to the ITC's application of a legal provision. Please elaborate on whether your answer would be different in these circumstances.

*Answer:* My task as a commissioner would be to apply U.S. law, not the VVTO agreements, or interpretations of those agreements arising from dispute settlement actions, directly. There are a number of cases before U.S. courts that deal with the same issues examined by VVTO panels and the Appellate Body. As a commissioner, I would carefully consider these court decisions as they are decided.

*Question 22:* Your current employer, Cargill, owns and controls North Star Steel, a major steel manufacturer with eight facilities in the United States. As North Star has been a party to a number of ITC investigations in the past and is likely to be a party to trade remedy matters in the future, do you believe that you would be required, or that it would be appropriate for you, to recuse yourself from such investigations?

*Answer:* Yes, as specified in my ethics agreement I will recuse myself for a period of two years from any investigation in which Cargill, Incorporated is a party. I will do the same for any Cargill subsidiary.

*Question 23:* You have indicated that your experience with trade issues has largely centered on opening overseas markets for U.S. agricultural products. In your experience, has the existence and application of U.S. trade remedy laws advanced or detracted from that goal? How would your views on this subject affect your ability to administer the trade laws at the ITC?

*Answer:* I am familiar with global trade in agricultural products, which is heavily distorted by government subsidies and other policies, including the operation of state-trading entities. I believe that U.S. trade remedy actions can help build understanding in other countries of the need to change their policies so that unfair trading practices are ended. As a commissioner, it would be my intention to administer the trade laws fairly and objectively, trusting that doing so would further the prospects for ending unfair trading practices.

*Question 24:* In response to question (18) you stated: "I have seen situations in which I believe other countries have applied trade remedy measures capriciously, thus having the effect of restricting trade in response to domestic special interests."

(a) Please give examples of what you consider to be capricious applications of trade remedy laws.

*Answer:* I think that Mexico's application of antidumping duties to U.S. exports of highfructose corn syrup (HFCS) was capricious, as was the safeguard case brought against imports of edible vegetable oils by the Solvent Extractors Association of India. In each of these instances, there were serious questions as to whether the case was politically motivated.

(b) Do you believe that this experience would have a restraining effect on your willingness to apply the antidumping, countervailing duty and safeguard laws aggressively as an ITC commissioner?

*Answer:* No, I don't believe that those experiences will have a restraining effect on my willingness to apply U.S. trade remedy laws. As quasi-judicial members of an independent agency, ITC commissioners are charged with applying the law without being influenced by political considerations on either side of a case.

*Question 25:* In response to question (16), you indicated that you were involved in the sweetener dispute with Mexico and participated in discussions involving Mexican trade remedy laws. One of the concerns that arose in U.S. prosecution of that case was that aggressive arguments against Mexico's application of its laws in that case could ultimately result in greater restrictions on U.S. application of our antidumping law in the future.

(a) To what extent did this concern shape your views of the Mexican sweetener dispute?

*Answer:* My views of the Mexican sweetener dispute have been shaped by economic realities—both Mexican consumers and U.S. HFCS producers would be better off, if corn sweeteners were flowing into Mexico as envisioned in the NAFTA—not

by issues relating to antidumping law, with which at that time I was not at all familiar. When this case went to dispute settlement, I recall that there were different views among attorneys as to whether certain arguments should be made that ultimately could have resulted in greater restrictions on the application of U.S. antidumping laws. I was not involved directly in those discussions, but believe it was decided not to use arguments that could have reduced the flexibility of the United States to apply its own laws. It is clear that the United States had a solid case because it won dispute settlement proceedings in both the WTO and the NAFTA. Thus, not using all possible arguments appears not to have influenced the outcome.

(b) How would such concerns affect your participation in WTO litigation involving the ITC in future cases?

*Answer:* I am not completely familiar with the ITC's involvement in VVTO litigation. My understanding is that the Office of the United States Trade Representative plays a central role in such litigation, but that the ITC Office of the General Counsel prepares drafts for USTR's consideration and that ITC commissioners review those drafts. I don't believe my experience with Mexico's HFCS antidumping duties would affect my judgement as an ITC commissioner in examining future cases.

*Question 26:* Please complete all responses to questions that were incomplete as of February 10, 2003, including questions (11), (12), (13), (14), and (15). Please review the articles that are discussed in questions (17) and (18) and indicate whether you have anything to add to your prior responses.

*Answer:* The ITC now has completed the analysis requested in question (11) and it is attached.

I have no additional comments for questions (12), (13) or (14) regarding the actions or policies of Cargill, Incorporated.

In regard to question (15), I am advised that the confidentiality requirement that applies to me and all other APAC members places significant constraints on what I may say regarding issues discussed in that advisory committee. As for my own statements in the APAC regarding trade remedies, I recall that at a meeting some time ago I suggested the possibility of assessing the extent of trade remedies imposed by other countries against U.S. exports of food and agricultural products. To the best of my knowledge, no action was taken in response to that suggestion. I have been in contact with USDA and USTR regarding question (15). USDA would be willing to provide further explanation directly to interested senators or staff.

In regard to question (17), I have reviewed the half-page article I wrote in the April 2000 issue of the *Cargill Bulletin*. In a longer format, I may have had space to offer a more comprehensive assessment. Such an assessment should have included an explanation that the relatively large number of U.S. antidumping measures is a reflection of the many trade-distorting practices extant in global markets. The United States has an open and attractive marketplace compared to those of many other countries. Thus, exporters from other nations at times may be tempted to sell products unfairly in this country. On the other hand, nations that traditionally have had more protected markets have only recently begun to reduce import barriers in response to trade negotiations. Some of those countries may now be resorting to trade-remedy actions to offset the reductions in other import barriers.

In regard to question (18), I have reviewed the article I wrote in the June 1998 *Cargill Bulletin* and am unable to find the cited language.

#### RESPONSES TO QUESTIONS FROM SENATOR ROCKEFELLER

*Question 1:* I have been very troubled by the tendency of the ITC to require actual losses—to require that an industry be flat on its back—before it is willing to provide relief. If you are a foreign producer and you know you can attack this market with impunity until the domestic industry is actually bleeding red ink, why wouldn't you take the opportunity? Why not take the chance to weaken your competitor to the point of destruction?

To me, requiring that an industry show actual losses before any relief can be provided is exactly the wrong approach under the law. And my question is whether you agree relief must be provided when an industry is being materially affected by imports, regardless of whether the industry is actually suffering losses?

*Answer:* My understanding is that relief must be provided when the Commission finds that an industry is materially injured by reason of dumped or subsidized imports, and that the law does not require a domestic industry to be losing money in order to qualify for relief under the trade remedy statutes. Since the absence of current losses does not preclude an affirmative injury determination, an industry that is profitable still could obtain relief under antidumping and countervailing-duty laws, as could an industry that actually is suffering losses.

*Question 2:* The U.S. antidumping and countervailing duty laws make clear that “material injury” is harm that is not inconsequential, immaterial, or unimportant. That is not a high hurdle and is certainly not an invitation to the Commission to make policy judgements about how much relief an industry needs or what role imports should have in any given market.

Do you agree the Commission’s role is to enforce the law as written, to refrain from allowing policy judgements to enter into its analysis, and to ensure that relief is provided where imports are a cause of injury that is not inconsequential, immaterial or unimportant?

*Answer:* I understand that the statutes do not contemplate that the Commission would make a policy judgement regarding how much relief an industry needs. Similarly, I recognize that the law does not envision that the ITC would make any policy decision regarding what role imports should play in the marketplace. I agree that the function of the Commission is to apply the law as written, based on a careful evaluation of the facts of each case. The ITC is not a policy-making body and it should refrain from trying to be one.

The statutory standard of material injury by reason of dumped or subsidized imports has been interpreted in different ways and that there is a great deal of case law on this issue. My fellow nominee, Charlotte Lane, and I have agreed that, if confirmed as ITC commissioners, we jointly will seek the views of other commissioners, Commission staff and other experts to understand how the law has been applied to the facts of actual cases that have come before the Commission.

*Question 3:* Our law clearly instructs the Commission to evaluate the question of injury in the context of the business cycle. That provision was put into the law for a reason—that is, to take into account that an industry could be injured even during relatively good economic times and when there is high demand for the industry’s products. If you are in a cyclical industry and you can’t earn the profits you need when times are good, you aren’t going to survive when times are bad. That’s the point of the law, and it seems to me that just makes plain sense.

In my view, the law not only allows but requires that relief be provided if an industry’s performance is being materially suppressed, even if the industry is profitable and enjoying strong demand. Do you agree?

*Answer:* An evaluation of the business cycle is included in the statutory framework and I believe that a thorough analysis of the business cycle is important to any case. Business cycles generally are specific to an industry, so I would carefully analyze the facts of each case and apply the law to those facts. As indicated in my response to question #1, an industry that is profitable still could obtain relief under antidumping and countervailing-duty laws. Accordingly, a thorough analysis of the business cycle could be important for an industry that is operating profitably and enjoying strong demand.

#### RESPONSES TO QUESTIONS FROM SENATOR GRAHAM

*Question 1:* It is my understanding that Cargill owns facilities for the production of orange juice in Brazil. Please explain the details of this relationship. Will your past relationship with Cargill impair your ability to hear future cases regarding frozen concentrate orange juice that may come before the ITC?

*Answer:* Cargill, Incorporated owns facilities for the production of orange juice both in Florida and Brazil. My understanding is that Cargill exports orange juice from both Florida and Brazil and also imports orange juice into the United States. I have not been involved with those operating divisions of Cargill and am not familiar with them. Thus, I have no predisposition regarding orange juice issues. As specified in my ethics agreement, I will recuse myself for two years from any case coming before the ITC to which Cargill is a party.

*Question 2:* Manufactured goods are generally produced throughout the year, however many agriculture products can only be produced during a particular growing season. Additionally, many agriculture products are perishable and it is not possible to maintain large inventories of products over an extended period of time. How should the issues of seasonality and perishability be weighed in the ITC’s economic analysis of injury and in the probable economic effects of future tariff reductions?

*Answer:* My understanding is that the seasonal nature of the production of certain agricultural products can be an important condition of competition in the Commission’s analysis. Thus, to at least some extent, the statutes provide some avenue for consideration of the unique circumstances of industries producing seasonal agricultural products that are adversely affected by imports of dumped or subsidized products. I also note that in some cases the Commission’s interpretation of the definition of the appropriate industry and domestic like product has not resulted in relief for the domestic industry. This is because those definitions have not been limited to the

seasonal product, but also have included product harvested at other times of the year. Under the terms of legislation enacting Trade Promotion Authority, the administration is directed to address the issue of seasonal industries in the context of the Doha Development Agenda. If confirmed, I intend to consider this issue carefully in making decisions as a Commissioner, but can offer no opinion as to my conclusions in a specific case.

*Question 3:* Import relief procedures were primarily designed to address unfair trade in manufactured goods. Should agriculture sectors be evaluated differently from manufactured products in the ITC's unfair trade cases? How can we make the import relief process more accessible to U.S. agriculture?

*Answer:* As a commissioner, it would be my responsibility to apply existing statutes based on the facts of each case, regardless of whether a product is agricultural or nonagricultural, taking into account any special provisions for agricultural products. It would be possible to evaluate agricultural products differently only to the extent such an interpretation was consistent with the law.

*Question 4:* Do you believe that subsidized agricultural commodities with low tariff and quota barriers in the U.S. should be evaluated differently in the ITC's economic impact analyses than unsubsidized agricultural products (such as citrus) which have high tariff or quota barriers?

*Answer:* I am not sufficiently familiar with the ITC's economic analyses to have an informed opinion on this issue. In general terms, it is my view that the ITC's analysis of injury must be based on the facts of each case and that the commissioners then must evaluate those facts in light of the applicable statutes.

*Question 5:* Do you believe the United States can make the case economically for high tariffs on some products while seeking the reduction or elimination of foreign tariffs for U.S. exports?

*Answer:* Although this issue is beyond the scope of the ITC's jurisdiction, my past work has made me familiar with it. My view is that there is an economic case for import protection for sectors in which global trade is highly distorted by government policies. It appears that U.S. negotiators have taken this approach to some extent in their agricultural proposal for the Doha Development Agenda. Although that proposal calls generally for a harmonization scheme that would reduce high tariffs by a larger percentage than lower tariffs, it also calls for retaining the use of tariff-rate quotas for some import-sensitive agricultural products.

*Question 6:* Many U.S. agriculture products must compete with foreign subsidies long after foreign governments have ceased their support. A fruit tree will be produced for many years after the initial subsidy for planting the tree, and its volume affects worldwide commodity prices. Should the ITC's economic impact analyses of the effects of additional tariff reductions on import sensitive agriculture products take into account the long-term impact of unfair trade practices, or do you believe that such impacts are only to be addressed through unfair trade remedy cases?

*Answer:* My understanding is that the statutes permit the ITC to take long-term effects into consideration when conducting analyses of the effects of tariff reductions. It seems to me reasonable to consider any continuing effects of past subsidies because I think it is important to provide analyses that are as comprehensive as possible.

#### RESPONSES TO QUESTIONS FROM SENATOR SANTORUM

For Ms. Lane and Mr. Pearson:

In March 2002, when President Bush announced the imposition of Section 201 tariff remedy, 34 steel companies representing 40% of the total U.S. steel production (integrated producers & mini-mills) had declared bankruptcy or were in liquidation. The President's action was designed to eliminate foreign government subsidies, unfair trading practices and global excess steel-making capacity. The imposition of tariffs was also designed to give domestic industry the opportunity to restructure and to address the issue of excess capacity.

Recently, the Consuming Industries Trade Action Coalition (CITAC) released the results of a study on the economic impact of the Section 201 Remedy imposed on steel imports. According to this report, the tariff remedy has resulted in the loss of 200,000 jobs—which includes 8,400 jobs in Pennsylvania. CITAC blames the job losses on a 9.4% increase in steel prices last year.

However, competing analysis produced by domestic steel producers notes that between March and December 2002, there have been wholesale price declines of 2.2% for motor vehicles and 1% for home appliances. These analysts argue that employment in steel-consuming industries increased by 229,000 workers after the Section 201 tariffs were imposed. These analysts note that the jobs lost in 2002 occurred in January 2002, two months before the tariffs were imposed and when steel prices



were near historic lows. These analysts note that prices in 2001 were at historically low levels, well below any prices that had been seen for the past 20 years. Furthermore, analysts for domestic steel producers note that more than 70% of total steel imports are not even subject to the Section 201 duties.

Additionally, according to U.S. government data, since 1982: consumer prices in the aggregate have risen 70%; motor vehicle prices are up 40%; lumber prices are up 80%; aluminum prices are up 50%; and steel prices are up less than 10%.

Considering both perspectives articulated above, which perspective do you believe to be the better reflection of the impact of the Section 201 tariff remedy? Do you place more weight behind an analysis that looks at a 20-year period of pricing or do you think we can learn more about the impact of a policy from studying the data from the year just prior to the implementation of a remedy?

*Lane Response:* By definition, the effects of the Section 201 remedy can only be assessed for the period to which the remedy was applicable. I believe that both a long-term and a short-term study period will likely be relevant and necessary to provide a full picture of the effects of the Section 201 remedy on not only the industry that is the subject of the Section 201 proceeding but also on the products that depend upon that industry.

*Pearson Response:*

*Note: I have not reproduced four paragraphs providing background information that were included prior to the questions asked below. Those paragraphs deal with the Section 201 steel safeguard imposed in March 2002, including references to an economic study done by the Consuming Industries Trade Action Coalition (CITAC) and another study done by domestic steel producers.*

Considering both perspectives articulated above, which perspective do you believe to be the better reflection of the impact of the Section 201 tariff remedy? Do you place more weight behind an analysis that looks at a 20-year period of pricing or do you think we can learn more about the impact of a policy from studying the data from the year just prior to the implementation of a remedy?

Since I am not yet a commissioner, I do not have available the large volume of information that would be necessary to evaluate properly the Section 201 remedy on steel products. On the second question, though, I recognize that many products are subject to price cycles that play out over an extended period of time. Inherent in a mid-term evaluation of a Section 201 remedy is the fact that the remedy has been in place for a relatively short time. To understand the effect of the remedy, however, I would want to have available longer-term information to place the analysis in context.

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PREPARED STATEMENT OF RAYMOND T. WAGNER, JR.

Mr. Chairman, Senator Baucus and Members of the Committee, I am honored to appear before this committee today as you consider my nomination to be a member of the IRS Oversight Board.

I am pleased to have with me today my wife Ann, my 12-year-old son Stephen, as well as my 8-year-old daughter Mary Ruth. My 14-year-old son, Raymond III is unable to be here today per doctors' orders as he continues to recover from recent surgery.

Mr. Chairman, it is truly an honor to have been nominated by President Bush to serve as a member of the IRS Oversight Board.

For nearly eight years I have worked at Enterprise Rent-A-Car, most recently at the Legal & Legislative Vice President. In addition, I serve as the municipal judge in my hometown of Ballwin, Missouri. And, for the past ten years I have been an adjunct professor of law at the Washington University School of Law in St. Louis where I co-tech a course in the masters tax law program.

Prior to joining Enterprise Rent-A-Car, much of my career had been spent working in the public sector, in the tax administration field. I had the honor to serve as Director of Revenue for the state of Illinois, as well as Director of Revenue for the state of Missouri. In addition, I was the General Counsel for the Missouri Department of Revenue. Other government service includes serving as Law Clerk to the Chief Justice of the Missouri Supreme Court and Chief Legal Counsel to the Governor of Missouri. I also spent a portion of my career in private law practice where I was a business lawyer representing numerous large and small business clients.

I welcome the opportunity to use my extensive experiences in the private and public sector to address the wide array of issues facing the IRS. Enterprise Rent-A-Car, as you may know, has grown to be the number one rental car company in North America based in large part on its founding value of customer service. I know first-

hand the positive impact of superior customer service from a large organization. I will be ever mindful of the priority that this Committee placed upon customer service when it established the mandates of the IRS Restructuring and Reform Act of 1998.

Mr. Chairman, while high quality customer service should be of paramount importance to any government agency, most particularly the Internal Revenue Service, efficient and effective tax administration demands much more. Customer service must be balanced with the duty and task of the IRS to efficiently collect the taxes owed. The mission of the Illinois Department of Revenue, which we rewrote during my tenure, might best exemplify my philosophy: "Professional Service—Fair Enforcement."

Through the valuable work of this Committee in passing the Restructuring and Reform Act, the IRS has been given a clear charge for what must be done to best service the American public. By most accounts, the IRS and its fine employees have successfully embarked on a clear plan to reform and modernize the IRS; the commitment to change and the work of the very capable members of the current Oversight Board are impressive. I pledge to do all that I can to ensure that the Oversight Board continues to earn the confidence of this Committee and the American public as the Service works to fulfill its mission that you established.

Mr. Chairman, I am keenly aware of the critical importance of this independent Board for all of the American people. If confirmed as a member of the IRS Oversight Board, I will be committed to using my knowledge of the law, tax law, tax administration, customer service and general business knowledge to achieve the objectives for the Board as set out in the Restructuring and Reform Act.

Thank you, Mr. Chairman. I would be pleased to answer any questions you or other members of the Committee may have.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

1. Name: (Include any former names used.): *Raymond T. Wagner, Jr.*
2. Position to which nominated: *IRS Oversight Board*
3. Date of nomination: *November 12, 2002*
4. Address: (List current residence, office, and mailing addresses.)  
*Residence: 313 St. Andrews Court  
Ballwin, Missouri 63011  
(636) 230-9020*  
*Office: Enterprise Rent-A-Car  
600 Corporate Park Drive  
St. Louis, Missouri 63105  
(314) 512-2897*
5. Date and place of birth: *June 8, 1959, St. Louis Missouri*
6. Marital status: (include maiden name of wife or husband's name.) *Married to Ann L. Wagner (nee Trousdale).*
7. Names and ages of children: *Raymond III (age 13); Stephen (age 12); Mary Ruth (age 7).*
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)
  - *Washington University School of Law, 08/87-05/93, LLM-Taxation, May 14, 1993.*
  - *University of Missouri-Kansas City School of Law, 08/82-05/85, JD, May 10, 1985.*
  - *Saint Louis University School of Business, 06/82-05/84, MBA, May 12, 1984.*
  - *Saint Louis University School of Arts & Science, 08/78-05/81, May 16, 1981, (Certificate in Business received May 16, 1981).*
  - *University of Missouri-St. Louis, 05/80-08/80 Summer Finance Class.*
  - *St. Louis Community College at Meramec, 08/97-12/98; two advanced accounting classes taken.*
  - *John F. Kennedy High School, 08/73-05/77, High School Diploma, May, 1977.*

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)
- *Enterprise Rent-A-Car Company; Vice President- Legal & Legislative (most recent title); St. Louis, MO; 06/95-present.*
  - *City of Ballwin, Missouri; Municipal Judge; Ballwin, MO; 04/99-present.*
  - *Washington University School of Law; Adjunct Professor of Tax; St. Louis Missouri; 01/93-present.*
  - *Illinois Department of Revenue; Director of Revenue; Springfield, IL; 08/93-06/95.*
  - *Armstrong, Teasdale, Schlafly & Davis; Counsel; St. Louis, MO; 02/93-07/93.*
  - *Missouri Department of Revenue; Director of Revenue; Jefferson City MO; 09/91-02/93.*
  - *Missouri Office of the Governor; Counsel to the Governor; Jefferson City, MO; 05/90-09/91.*
  - *Missouri Department of Revenue; General Counsel; Jefferson City MO; 05/89-04/90.*
  - *Suelthaus & Kaplan (now Suelthaus & Walsh); Associate Attorney, Clayton MO; 04/87-05/89.*
  - *Gaar & Bell (now Gilmore & Bell); Associate Attorney, Clayton, MO; 08/86-04/87.*
  - *Missouri Supreme Court; Law Clerk to Chief Justice; Jefferson City, MO. 08/85-08/86.*
  - *Missouri Court of Appeals-Eastern District; Summer Intern; St. Louis, MO; 06/84-08/84.*
  - *University of Missouri-Kansas City School of Law; Research Assistant to Professor Dyer and Professor Hood; Kansas City, MO; 03/84-05/85.*
  - *IRS Office of District Counsel, Legal Intern; Kansas City, MO; 01/85-05/85.*
  - *Univ. of Missouri-Kansas City School of Law; Legal Research Instructor; Kansas City MO; 08/83-12/83.*
  - *22<sup>nd</sup> Judicial Circuit-Juvenile Division; Summer Law Clerk; St. Louis, MO; 06/83-08/83.*
  - *David Drury, Attorney; Law Clerk; St. Louis, MO; 06/83-08/83.*
  - *St. Louis University Department of Government Grants & Contracts Administration; Summer Intern; 05/82-08/82.*
  - *St. Louis University Busch Memorial Student Center; Weekend Manager; St. Louis, MO; 05/81-08/82.*
10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)
- *Missouri Statewide Legal Services Commission; Member since 2001.*
  - *US Dep't of Labor Transition Advisory Committee; 12/00-02/01.*

*Appointed to several boards and commission during the course of my prior service in Missouri and Illinois state government, including:*

- *Illinois Economic Development Coordinating Council, 1995.*
  - *Illinois New Technology Board; Member; 1994.*
  - *Illinois Geographic Information Management Technology Task Force; Member; 1994.*
  - *Multistate Tax Commission; Commissioner; 1991-1993.*
  - *Missouri Highway Reciprocity Commission; Chairman; 1991-1993.*
  - *Missouri Military Advisory Commission; Member; 1991-1993.*
  - *Missouri Governor's Ethics Commission; Chairman; 1991-1992.*
  - *Missouri Commission on Intergovernmental Cooperation; Mem.; 1991-1993.*
  - *Missouri Rural Opportunity Council; Member; 1992-1993.*
11. Business relationships: (List all positions held [for the past 10 years] as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)
- *Enterprise Rent-A-Car; Vice President and Assistant VP since 1996.*
  - *University of Missouri – St. Louis Chancellor's Council; Member since 1996; Secretary since 2002.*
  - *St. Louis University School of Business Executive Advisory Board since 1995.*
  - *Washington University School of Law; Adjunct Professor of Tax since 1993.*
  - *Armstrong, Teasdale, Schlafly & Davis Law Firm; Counsel; 02/93-07/93.*
  - *Estate of Louis P. Semich; Personal Representative; 11/00-08/02.\**
  - *Estate of Delma Browne; Personal Representative; 11/00-10/01.\**
  - *Vincent P. Muenster Trust; Trustee; approx 08/88-present.\**
  - *Joseph P. Muenster Trust; Member of Family Advisory Group; 04/87-present.\* \*\*\*Estates of deceased family members.*
12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)
- *American Car Rental Association; Chairman, Legal & Legislative Committee, 1999-2001 (organization disbanded).*
  - *Truck Rental & Leasing Association; Member, Government Relations Committee, 2001-present.*
  - *St. Louis County Greater Economic Development Council; Member; 2001-present.*
  - *St. Louis Regional Chamber & Growth Association; Board Member and Vice-Chair, Government Affairs, 2000-2001; Chairman, Public Policy Council 1998-2000.*
  - *Associated Industries of Missouri; Board Member; 1995-present; Member, Transportation & Development Council since 2001.*
  - *Missouri Chamber of Commerce; Board Member; 1996-present.*
  - *St. Louis Club; Member in Luncheon Club; 2002-present.*
  - *University of Missouri-St. Louis; Member, Chancellor's Council; 1998-present (Secretary, 2002-present).*
  - *St. Louis University School of Business & Administration Executive Advisory Board; 1995-present.*

- *St. Louis University School of Business & Administration Alumni Association, Board Member 1989-1995 (President, 1993-1995).*
  - *St. Louis University; DuBourg Society (for development support); Honorary Vice President; since approx 1988.*
  - *St Andrews Subdivision Neighborhood Association; Homeowner Member; 1997-present (President, approx. 07/98-11/99).*
  - *Missouri Bar; Member; 1985-present.*
  - *Bar Association of Metropolitan St. Louis; Member; 1986-present; Chairman, Legislative Committee, 1991-present; Administrative Law Committee, Chairman, 1991-1991; Young Lawyers Section: Treasurer, 1989-1990, Chairman of Government Liaison Committee, 1990-1996, and Chairman of YLS Social Services Committee.*
  - *American Bar Association; Member; est. 1988-present; member of Taxation Section, est. 1989-present.*
  - *Illinois State Bar Association; Member; 1986-present.*
  - *Cole County Bar Association; Member, 1989-1992.*
  - *St. Louis County Bar Association; Member, 1987-1989.*
  - *National Association of Bond Lawyers, Member, 1986-1988.*
  - *United States Supreme Court, Member since 1989.*
  - *United States Tax Court; Member since 1989.*
  - *United States Court of Appeals-8<sup>th</sup> Circuit; Member since 1989.*
  - *Federation of Tax Administrators; Board Member 1994-1995.*
  - *National Institute on State & Local Taxes; Honorary Member of Advisory Board, 1993-1995.*
  - *St Clare of Assisi Catholic Church; Member, 1995-present; Coach, 8<sup>th</sup> Grade Soccer team since 1998; Co-chairman, Capital Campaign, 2000.*
  - *St. Patrick's Center for the Homeless; Board Member, 2001-present.*
  - *St. Louis Symphony Gov't Relations Committee: Member, 2000-present.*
  - *Foster and Adoptive Care Coalition of St. Louis; Board Member, 1995-2001 (President 1998-2000).*
  - *CORO St. Louis Civic/Charitable Organization; Board Member, 1999-2001.*
  - *Shelter the Children, Board Member, 1988-1995.*
  - *Independent Charities of America, 1993-1995.*
  - *Big Brothers Big Sisters of Kansas City, 1984-1985.*
  - *University of Missouri-Kansas City School of Law: Delta Theta Phi Legal Fraternity, 1983-1985; Student Bar Association, 1<sup>st</sup> Year Representative, 1982-1983.*
  - *St. Louis University: Student Government Association, President 1981-1982, Vice President, 1980-1981; Chairman of Commuter Representative Committee, 1979-1980; Phi Kappa Kappa Fraternity, 1979-1981.*
  - *John F. Kennedy High School, Editor of School Newspaper, 1975-1977; Captain of Track Team and Cross Country Team, 1976-1977.*
13. Political affiliations and activities:
- a. List all public offices for which you have been a candidate. *None.*
  - b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

- *Friends of Ann Wagner for Committeewoman; Deputy Treasurer; 1996-present.*
  - *MOBIZ PAC; Member; approx. 1998-present.*
  - *Enterprise Rent-A-Car PAC; Advisor; 1996-present.*
  - *Car Rental Coalition PAC; Officer; 1998-2002.*
  - *Republican National Convention; Delegate; 2000.*
  - *Missouri Republican Convention; Delegate; 2000.*
  - *American Values PAC; Board Member, 1998-1999.*
  - *Ashcroft for Senate; Legal Advisor, 1993.*
  - *Friends of Governor Ashcroft; Treasurer; 1992-1994.*
  - *In my capacity as government affairs representative of Enterprise Rent-A-Car, I have assisted numerous political candidates in their fundraising efforts, including allowing my name to be used on "Host Committees" in connection with fundraising events.*
- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.
- *Friends of Todd Akin for Congress; \$1000; 11/00*
  - *Ashcroft 2000; \$500; 12/99*
  - *Ashcroft 2000; \$500 & \$500; 12/98*
  - *Ashcroft 2000; \$500; 09/97*
  - *Rely on Your Beliefs Fund; \$500; 07/20/01*
  - *Enterprise.PAC: \$500; 12/01*
  - *Enterprise PAC: \$225; 12/00.*
  - *Enterprise PAC: \$100; 12/99.*
  - *Enterprise PAC: \$500; 12/98.*
  - *Enterprise PAC: \$500; 12/97.*
  - *Enterprise PAC: \$150; 12/96.*
  - *Jack Jackson for Congress; \$100; 08/00.*
  - *Talent for Governor; \$1125; 03/00.*
  - *Talent for Governor; \$875; 09/00.*
  - *Talent for Governor; \$250; 08/00.*
  - *Missourians for Matt Blunt for Secretary of State; \$250; 06/00.*
  - *St. Louis County Republican Central Committee; \$100; 07/00.*
  - *RNC/Republican National State Elections Comm.; \$500; 02/01*
  - *MO Senate Majority Fund; \$50; 06/00.*
  - *Missouri Republican Party; \$250; 07/93*
  - *John Winston Election Committee; \$211; 06/15/00*
  - *Citizens for Pelican; \$50; 08/98.*
  - *Committee for Jones; \$100; 02/99.*
  - *Klarich for MO Senate; \$175; 08/96.*
  - *Klarich for MO Senate; \$ 60; 1997.*
  - *Citizens for Bredemeier ; \$100; 07/96.*
  - *Hancock for Secretary of State; \$ 200; 10/96.*
  - *Edgar for IL Governor; Estimate \$500; Spring 1994.*
  - *Talent for Congress; \$50; 08/96.*

- *Talent for Congress*; \$100; 03/1996.
  - *Talent for Congress*; \$150; 09/92.
  - *Sangemon County Repub. Committee*; \$50; 02/94
  - *Ashcroft for Senate*; \$500; 1994.
  - *Tom Villa for Mayor*; \$50; 1994.
  - *Committee for Steelman*; \$35; 11/92.
  - *Kilby for MO Secretary of State*; \$15; 10/92.
  - *Citizens for Missouri Courts*; \$40; 11/92.
  - *Note: FEC Records show \$450 total contribution to Talent for Senate Committee as of 06/24/02; FEC Records show refund as of 08/02.*
  - *Note: Records were compiled from a review of checking account records and websites reporting FEC filings from candidates.*
14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)
- *Distinguished Service Award from Univ. of Mo- St. Louis*; 05/02
  - *"Up and Coming Lawyer" from MO Lawyers Weekly*; October 12, 1998.
  - *"Forty Under 40" Selection from St. Louis Business Journal*; 01/98.
  - *Commendation Proclamation from Illinois Governor Edgar*; 06/95.
  - *Commendation Resolutions from MO Senate & House*; 01/93.
  - *"Statesman of the Month" from Jefferson City News Tribune*, 05/92
  - *President's Award from Bar Association of Metropolitan St. Louis*; 05/92
  - *Scholarship Foundation of St. Louis*; 1983
  - *St. Louis University Burger Scholarship*, 1981.
  - *McDonnell-Douglas Scholarship*, 1977-1981.
  - *Seroptimist Youth Citizenship Award*, 1977.
15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)
- *Missouri Taxation Law and Practice, Second Edition, 1999 Supplement Chapter 9, Sales and Use Taxes- Substantive Aspects. Published by the Missouri Bar, September 1999.*
  - *Missouri Taxation Law and Practice, Second Edition, 2002 Supplement Chapter 9, Sales and Use Taxes- Substantive Aspects. Published by the Missouri Bar, September 2002.*
  - *"Recent Legislation-How Will It Affect Your Practice?" St. Louis Lawyer Magazine; July Edition 2002. NOTE: I have written similar articles summarizing the past MO legislative session for the Bar Association of Metro St Louis for most of the past 10 years.*
  - *"Financial Interest Disclosure Requirements Outlined" MoBar Bulletin, April 1991.*
  - *E.Hood, Closely Held Corporations in Business and Estate Planning (1982); Acknowledged in supplement after serving as research assistant to Professor Hood.*



16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

*In the past five years, I have delivered no speeches on tax administration, other than classroom lectures as Adjunct Tax Professor in State & Local Sales Tax Class at Washington University.*

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

*I hope to offer value to the IRS Oversight Board based, in part, upon my prior experiences as a tax administrator. In addition, I have an extensive background in law, tax law, business, government, legislative relations, and civic involvement. I believe my varied professional experiences and expertise will serve the IRS Oversight Board well.*

*As a Vice-President at Enterprise Rent-A-Car, I see first-hand the value of customer service. I bring an understanding of the value of information technology. I have represented the needs and concerns of individual taxpayers and small businesses throughout my career; I recognize the importance of these customers to the IRS and the revenue collection process. As a former tax administrator, I understand the importance of "doing more with less" and prioritizing in order to move the agency forward.*

*I am enthusiastically and fully committed to becoming a productive member of this Board. I am confident that I will further the goals and objectives that Congress established when this Board was created only a few years ago. I will be a strong advocate for tax simplification, customer service, systems modernization and efficient compliance.*

#### **B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.  
*I do not plan to sever connections with present employers, given that this appointment is a part-time position.*
2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.  
*I plan to continue my current employment relationships.*
3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details. *No.*
4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain. *Yes.*

**C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated. *Any potential conflicts of interests have been resolved in accordance with the terms and conditions set forth in my ethics agreement with the Department of Treasury, which is documented in my letter to Kenneth Schmalzbach, Designated Agency Ethics Official and Assistant General Counsel for General Law and Ethics.*
2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated. *I am aware of none.*
3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed, as an employee of the Federal government need not be listed.

*Within the scope of my responsibilities at Enterprise Rent-A-Car, I have assisted and/or managed our various lobbyist and local employees in directly influencing the passage, defeat or modification of legislation affecting the car rental industry, e.g., state insurance licensing, rental taxes, liability reform, other issues directly involving the car rental industry. I have twice testified before Congress on the issue of vicarious liability reform.*

*Within the scope of my responsibilities with various civic or chamber boards, I have engaged in legislative relation activities, mostly in Missouri, on topics of interest to the business community.*

*Within my scope of serving as the Missouri and Illinois Revenue Director, within the past 10 years, I engaged in legislative activities on topics of interest to the Department of Revenue, e.g., tax law legislation, budget matters, promulgation of rules and regulations.*

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)

*Should any actual or potential conflicts arise, I will consult with Treasury ethics officials.*

5. **Two** copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details. *No.*
2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details. *While in school, in February 1983, I received a summons for a municipal moving infraction; it was dismissed.*
3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

*I have never been involved as a party in interest in any civil or criminal litigation in my personal capacity.*

*On behalf of my company, Enterprise Rent-A-Car, I have been involved in civil litigation and administrative and legislative proceedings within the car rental industry, including intellectual property type matters. I have never been a party in interest, however.*

*As a former state official in Illinois and Missouri, I was involved as a party in interest in many matters (perhaps thousands) involving civil, criminal, administrative or legislative proceedings. All of these matters were within the scope of my official responsibilities relating to tax laws (MO and IL) and motor vehicle laws (MO only). In these matters, government attorneys always represented me.*

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details. *No.*
5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. *I am aware of no unfavorable additional information. If confirmed, I*

*am absolutely and whole-heartedly committed to faithfully serve to the fullest extent.*

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be, reasonably requested to do so? Yes.
2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees? Yes.

