

1 EXECUTIVE COMMITTEE MEETING ON NOMINATION OF J. ROGER MENTZ  
2 TO BE ASSISTANT SECRETARY-DESIGNATE FOR TAX POLICY, DEPARTMENT  
3 OF THE TREASURY

4 WEDNESDAY, APRIL 9, 1986

5 U.S. Senate

6 Committee on Finance

7 Washington, D.C.

8 The committee met, pursuant to notice, at 9:07 a.m.  
9 in Room SD-215, Dirksen Senate Office Building, the  
10 Honorable Bob Packwood (chairman) presiding.

11 Present: Senators Packwood, Long, and Bradley.

12 Also present: John Chapoton, former Assistant Secretary  
13 for Tax Policy, Department of the Treasury.

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1 The Chairman. The committee will come to order for  
2 the hearing on Roger Mentz as the Assistant Secretary of  
3 the Treasury for Tax Policy.

4 This is almost like carrying coals to Newcastle. The  
5 Acting Secretary has been before us for so long, as I told  
6 the audience the other day, I had forgotten he hadn't been  
7 confirmed.

8 And when he has indicated to me that the Administration  
9 has sent forth the nomination, I really thought he was talking  
10 about something else and that he was being nominated for  
11 General Counsel in Bermuda or something and was leaving us.

12 We do have with us today a member of this committee,  
13 Senator Bradley, who has some introductory remarks of  
14 the Secretary.

15 Senator Long. Mr. Chairman, if I might just interject,  
16 I would think the Administration was taking a considerable  
17 risk to wait all this time to get this name up here. You  
18 know, a lot of people when you meet them you don't like  
19 them, and when you know them you hate them.

20 (Laughter)

21 Senator Long. And they let us look this man over all  
22 this time. It might have been a serious risk.

23 I really think, having gotten to know the man, I am  
24 ready to vote for him, unless Senator Bradley talks me out  
25 of it.

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(Laughter)

The Chairman. Go ahead, Bill.

1 STATEMENT OF THE HONORABLE BILL BRADLEY, UNITED STATES  
2 SENATOR FROM THE STATE OF NEW JERSEY

3 Senator Bradley. Thank you very much, Mr. Chairman.

4 I am very pleased to have the chance to introduce  
5 Roger Mentz to the Finance Committee. He has a number of  
6 things to his credit, not the least of which is he grew up  
7 in New Jersey, went to Princeton University, and lived in  
8 New Jersey until he took this job last year at the Treasury  
9 Department.

10 The office for which he has been nominated, the Assistant  
11 Secretary for Tax Policy, is one of the most important  
12 positions in Government. It is an office that must be  
13 filled by someone whose educational and professional  
14 achievements leave no doubt as to their understanding of  
15 the Tax Code, but mastering of the technical details is  
16 really not enough.

17 The Assistant Secretary must also display sound judgment  
18 and a keen sense of the larger policy issues involved in the  
19 writing of our tax laws.

20 Finally, he or she needs an ample store of patience and  
21 good humor just to survive the fractiousness that seems the  
22 inevitable component of the tax legislative process.

23 Perhaps at no time in this committee's history has so  
24 much responsibility fallen on an Assistant Secretary's  
25 shoulders. He has undertaken a very important endeavor in

1 trying to reform our unfair and inefficient and unduly  
2 complicated tax system. And we will need all the help we  
3 can get from the Assistant Secretary in particular.

4 But weighty as this responsibility is, Roger Mentz is  
5 well qualified for the office. He has distinguished himself  
6 intellectually and professionally in the tax field and,  
7 more important, I believe, he will provide this committee  
8 with the technical expertise and mature judgment we need in  
9 the weeks ahead.

10 Most important, I am confident he will fulfill the  
11 Assistant Secretary's traditional role as an advocate for  
12 sound tax policy.

13 So, Mr. Chairman, it is with a great deal of pleasure  
14 and respect that I introduce an old friend, Roger Mentz, to  
15 the committee today for this official part of the  
16 proceeding.

17 The Chairman. Thank you. Mr. Secretary, any opening  
18 comments?

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1 STATEMENT OF J. ROGER MENTZ, ASSISTANT SECRETARY-DESIGNATE  
2 FOR TAX POLICY, DEPARTMENT OF THE TREASURY

3 Mr. Mentz. I would just like to say, Mr. Chairman,  
4 that it is my deepest honor to be before the Committee on  
5 Finance as a nominee for the office of Assistant Secretary  
6 for Tax Policy.

7 Thank you.

8 The Chairman. I might enter into the record a cartoon  
9 from The New Yorker that someone has given me.

10 It says: "In the case of J. Roger Mentz before this  
11 Senate Finance Committee," and the forewoman of the jury  
12 is standing up reading out the verdict, and she says:  
13 "We find the defendant not guilty, but not all that  
14 innocent," either."

15 (Laughter)

16 The Chairman. I might also say we have received a  
17 letter from the Director of the Office of Government Ethics,  
18 indicating the Secretary's compliance with the Ethics in  
19 Government Act has been complied with; and the letter will  
20 be made part of today's record.

21 Senator Long, any questions?

22 (The letter from the Office of Government Ethics  
23 follows:)

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1           Senator Long. Mr. Mentz, I have been on this committee  
2 for more than 30 years and with both parties. There has  
3 only been one person over there in that Treasury hierarchy  
4 that I recommended for appointment and who actually got a  
5 job; and that was Larry Woodworth who served us as Chief of  
6 our Joint Tax Committee.

7           In fact, at that time, it was the Joint Committee on  
8 Internal Revenue and Taxation.

9           The poor fellow, he wanted to retire from Government,  
10 but I thought the Government needed him, so we put him in  
11 the job and with so many frustrations--mainly because of  
12 the White House--and the pressure was so great on the poor  
13 man that he died in the job. He didn't last a term; but  
14 how is your health?

15           (Laughter)

16           Mr. Mentz. Up until now, it has been fine.

17           (Laughter)

18           Senator Long. Thank you very much.

19           The Chairman. This committee has been very lucky, and  
20 I think the Administrations have been very lucky. After  
21 Larry died, they picked on Luvick, and I thought Don did  
22 an excellent job.

23           And then, we had Buck Chapoton for four years. I thought  
24 Buck did an excellent job.

25           And so, you are following, I think, in very luminous

1 footsteps; and so far, I have been very, very impressed  
2 with everything you have done.

3 The next three weeks, you poor devil, you are going to  
4 be here five and six hours a day, and we are going to be  
5 asking for instantaneous Administration positions on some  
6 things probably the Administration doesn't exactly have a  
7 position on.

8 But as soon as you say yes or no, that is going to bind  
9 the President. So, I hope you are prepared to speak rapidly  
10 and quickly.

11 Mr. Mentz. You might not hear yeses and noes.

12 (Laughter)

13 The Chairman. Well, in that case, we will follow the  
14 common law concept that silence is acquiescence.

15 (Laughter)

16 Senator Long. Mr. Chairman, if I might just ask one  
17 further question?

18 I see that Buck Chapoton is back there.

19 The Chairman. Is he back there?

20 Senator Long. I was going to ask: Is Buck going to  
21 recommend this appointment?

22 Mr. Chapoton. I will recommend the appointment.

23 Senator Long. Thank you.

24 The Chairman. Mr. Chapoton is recorded as aye.

25 (Laughter)



1           The Chairman. All right. We will stand in adjournment,  
2 until 9:30 a.m., when we will start marking up the energy  
3 and resources section and hopefully finish that and be able  
4 to do accelerated cost recovery also.

5           Mr. Secretary, you have about a 15 minute reprieve.

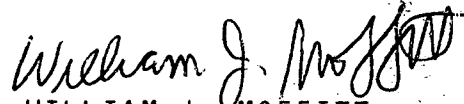
6           Mr. Mentz. Thank you, Mr. Chairman.

7           (Whereupon, at 9:14 a.m., the meeting was adjourned.)

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## C E R T I F I C A T E

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2 This is to certify that the foregoing proceedings of  
3 an Executive Committee Session of the Committee on Finance,  
4 held on April 9, 1986, in re: Nomination of J. Roger Mentz  
5 to be Assistant Secretary-Designate for Tax Policy, Department  
6 of the Treasury, were held as herein appears and that this  
7 is the original transcript thereof.  
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WILLIAM J. MOFFITT  
Official Court Reporter

My Commission expires April 14, 1989.

I N D E X

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2	OPENING STATEMENT OF:	
3	THE HONORABLE BOB PACKWOOD	
4	United States Senator from the State of Oregon	2
5	STATEMENTS OF:	
6	THE HONORABLE BILL BRADLEY	
7	United States Senator from the State of New Jersey	4
8	J. ROGER MENTZ	
9	Assistant-Secretary-Designate for Tax Policy	
10	Department of the Treasury	6
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