



DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

Embargoed Until 10 a.m. EST
February 17, 2005

CONTACT: Brookly McLaughlin
(202) 622-1996

Statement of Harold Damelin Before the United States Senate Committee on Finance

Chairman Grassley, Senator Baucus, and Members of the Committee on Finance, thank you for the opportunity to appear before you today and provide testimony. I am honored to be the President's nominee to serve as the Inspector General of the Department of the Treasury. This is the second time President Bush has nominated me to serve in the United States Government. Since the Senate confirmed my previous nomination, I have served as Inspector General of the Small Business Administration for nearly two years.

If you will permit me, I would like to take a moment to introduce the members of my family. My wife, Harriet, is here with me today. We are also blessed with two children, Scott and Rachel, their respective spouses, Fara and Rob, and three beautiful grandchildren, Leah, Rebecca and Max.

By way of background, I was born and raised in the Boston, Massachusetts area, and attended Boston College, where I majored in accounting, and Boston College Law School. Shortly after graduating from law school and completing my Army officers basic training course at Fort Gordon in Georgia, I moved with my family to the Washington, D.C. area where I have worked in a number of different positions over the past 32 years, 18 of which were devoted to government service. Out of law school, I was recruited into the honors program at the Chief Counsel's Office of the Internal Revenue Service where I worked for approximately one year. For the next 13 years of my career, I served as a federal criminal prosecutor, both with the Criminal Division of the United States Department of Justice, where I worked in the Public Integrity and Fraud Sections, and as an Assistant United States Attorney in the United States Attorney's Office for the District of Columbia, where I served as Deputy Chief of the Grand Jury Section. During my tenure as a federal prosecutor, I handled numerous investigations and prosecutions, many of which were complex and sensitive.

After leaving the United States Attorney's office in 1986, I spent the next nine years in private practice as a partner in two different law firms. I specialized in white-collar criminal defense, representing corporations and individuals in a wide variety of complex criminal and administrative proceedings. In addition, I counseled clients with respect to the formation and implementation of compliance programs.

In 1995, I had the honor and privilege of being asked by Senator William Roth of Delaware to serve as Staff Director and Chief Counsel for the United States Senate Permanent Subcommittee on Investigations. I accepted the position and for the next two years, I assembled and directed a professional staff responsible for conducting a number of investigations and holding a series of public hearings on a variety of issues, including healthcare and procurement fraud.

Following my work with the Senate Permanent Subcommittee, Senator Fred Thompson of Tennessee asked me to serve as a Senior Counsel to the Senate's Special Investigation Committee, which examined allegations of illegal and improper activities surrounding the 1996 federal election campaigns. While serving in this position, I was responsible for overseeing major portions of the Committee's investigation, participating in its public hearings, and preparing the Committee's final report.

Upon completion of my work for the Special Investigation Committee, I returned once again to private practice for almost five years, where I continued to specialize in white collar criminal defense work until I was nominated by the President, and confirmed by the Senate in March of 2003, to serve as the Inspector General of the Small Business Administration.

I believe the knowledge and experience I have gained over these past two years as the Inspector General of the Small Business Administration has further prepared me for new challenges I will surely face at the Department of the Treasury, if confirmed. At the Small Business Administration I have led a staff of about 100 people located throughout the country. During this time I have become familiar, and dealt directly with, the many issues faced by an Inspector General on a daily basis, and I believe that I have handled my duties and responsibilities in a highly professional and competent manner. I have also been pro-active. For example, I developed an organized effort within my office to identify and prosecute those individuals who fraudulently obtained SBA disaster loans in connection with the 9/11 tragedy.

I understand that the responsibilities of the position to which I have been nominated are great. Based on the significant issues facing the Department of the Treasury, it is clear to me that assuming the leadership role of Inspector General will be a challenging assignment. With my diverse experience, I feel well prepared to assume the position. If confirmed, I welcome the challenges I will be facing and pledge to you that I will work hard every day to carry out my responsibilities.

Mr. Chairman, thank you again for allowing me to appear here today, and I would be happy to answer any questions that you and other members of the Committee may have.