

ONE HUNDRED TWELFTH CONGRESS
Congress of the United States
House of Representatives

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Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on H.R. ____, a Bill to Clarify NTIA and RUS Authority to Return Reclaimed
Stimulus Funds to the U.S. Treasury
Subcommittee on Communications and Technology
April 1, 2011

Thank you, Chairman Walden, for scheduling this hearing. This is our second oversight hearing regarding the broadband programs created by the Recovery Act, and it is appropriate that we will hear today from the officials responsible for managing these efforts.

I would like to welcome Assistant Secretary Strickling and Administrator Adelstein back to the Energy and Commerce Committee. We appreciate the extraordinary efforts you and your colleagues have put into establishing these programs and I look forward to your testimony.

When Congress passed the landmark Recovery Act, we built oversight into the very structure of these programs. We knew it was imperative to provide the Departments of Commerce and Agriculture with the tools necessary to conduct vigorous oversight of approximately \$7 billion in broadband spending. The Commerce Department Inspector General was allocated \$16 million and the Agriculture Department Inspector General \$22.5 million to oversee and audit programs, grants, and activities funded by the Recovery Act.

With billions of dollars invested in hundreds of broadband projects throughout the nation, Congress must not skimp on oversight funding.

The agencies tell us that they have adequate resources to conduct effective oversight at this time; however, we need to remain vigilant and make sure this critical funding does not get cut during our ongoing budget debates. And if unanticipated oversight challenges emerge, Congress must be ready to ensure that agencies and their independent inspectors general have adequate resources to oversee these projects.

It is inevitable in a program of this size and scope that some of the projects funded by National Telecommunications and Information Administration (NTIA) or the Rural Utilities Service (RUS) will not work out as anticipated. In fact, a handful of grant recipients have already withdrawn from the programs. This money was promptly deposited in the U.S. Treasury, as it should be.

Today we will consider a legislative proposal that directs NTIA and RUS to do what they are already doing: returning these “deobligated” funds to the Treasury. I don’t understand why we are enacting this duplicative legislation, but I am not opposed to the legislation.

What I like most about the legislation before us today is not the substance, which as I have said I think is probably unnecessary, but the process. Chairman Walden has reached out to the Democrats to reach a bipartisan consensus on the bill. Republican staff has included Democratic staff in discussions about this measure and has sought our input and suggestions. I appreciate this effort and hope it is a harbinger of how the Subcommittee will approach future proposals.

As we consider this bill, we must be careful not to adopt legislation that inadvertently complicates the ability of the agencies to oversee these programs effectively. And we need to make sure we do not encourage defunding projects without good cause, especially now that obligated money has been translated into real projects with real jobs in every state.

I look forward to hearing what our expert witnesses have to say about these issues.

Thank you.