

**Opening Statement**  
**Rep. Paul Broun, M.D. (R-GA), Ranking Member**  
Subcommittee on Investigations and Oversight  
House Committee on Science and Technology

Hearing on “Public Resources for Recovery Act Oversight”

May 5, 2009

Thank you, Mr. Chairman. Let me welcome our witnesses here today, and thank them for attending. This is the second hearing that this committee has held on a very important topic – Stimulus Act oversight. While it’s no secret that my colleagues on this side of the dais and I voted against the stimulus bill, this Committee does have an obligation to make sure that if taxpayer money is going to be spent that it be done appropriately. As I said at the previous hearing, identifying waste, fraud, and abuse is a nonpartisan endeavor.

In addition to providing oversight of stimulus funding, it is also important for Congress to accurately assess the effectiveness of the Act by using metrics to track success and evaluate outcomes. Without this, Congress is simply spending money based on evaluations just as random as how it determined the ultimate funding level for the Act.

Like the TARP bailout, funding levels seem to have been chosen arbitrarily as if drawn from a hat. Presumably, the anticipated results were as well. The President advertised 3.5 million jobs as a result of this act, yet I’m not sure how many folks will be able to explain where that number came from or how it will ultimately be verified. Perhaps it came from the same hat the funding level was pulled from.

The National Bureau for Economic Research (the group of economists tasked with determining the start and end of economic downturns) announced that December 2007 was the start of the current recession. Their research also indicated that economic downturns have usually lasted between 6 and 16 months since the Great Depression. Take into consideration that most of the stimulus spending won’t occur until after 2010, and that the CBO determined that the stimulus bill will actually decrease gross domestic product in the out-years by crowding out private investment, and one has to wonder what we are doing this for. Our children and grandchildren, who ultimately are going to pay for this, deserve an answer.

The stimulus bill put taxpayers on the line for \$3.27 trillion when you add debt servicing and account for program extensions. Under the Obama budget, the national debt will double in 5 years and triple in 10. Add to that the revelation that the federal government has already run out of money half way through this fiscal year, and we have a recipe for disaster.

Whether or not you agree with the underlying Act, we still have to make sure that the government is capable of spending this money appropriately, with as little waste, fraud, and abuse as possible, and in a manner that directly benefits our country. In order to

determine if the Act does indeed benefit the nation, we need to clearly define metrics for its success. Simply put, the American people need to know what they got for their money. Since the stimulus bill was sold as a means to jump-start our economy and create jobs, it is important to identify baselines, track progress, and evaluate whether those outcomes were a result of the Stimulus Act, or by other means.

On today's second panel we will hear from outside groups who can contribute greatly to ensuring that the funds are spent appropriately in a transparent and accountable manner. With Agencies, Inspector Generals, OMB, GAO, the RAT Board, and Congress overwhelmed by the size of the spending, everyday citizens and outside groups will prove to be crucial in ferreting out waste, fraud and abuse. They can also help evaluate not only the effectiveness of the spending, but also whether the Administration has followed through on its ambitious promise of transparency and accountability.

In addition to the witnesses appearing before us, I would also like to include in the written record a letter from the Americans for Tax Reform. Their letter clearly highlights the fallacy of government wealth creation, concerns with employment metrics, and also some of challenges associated with transparency and accountability.

Thank you, Mr. Chairman. I look forward to the witnesses testimony and yield back my time.

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