

**NOMINATIONS TO THE
EXECUTIVE OFFICE OF THE PRESIDENT,
THE DEPARTMENT OF COMMERCE, THE NTSB,
AND THE AMTRAK BOARD OF DIRECTORS**

HEARING

BEFORE THE

**COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE**

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

NOVEMBER 18, 2009

Printed for the use of the Committee on Commerce, Science, and Transportation



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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

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**NOMINATIONS TO THE EXECUTIVE OFFICE
OF THE PRESIDENT, THE DEPARTMENT OF
COMMERCE, THE NTSB, AND THE AMTRAK
BOARD OF DIRECTORS**

WEDNESDAY, NOVEMBER 18, 2009

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 2:35 p.m. in room SR-253, Russell Senate Office Building, Hon. John D. Rockefeller IV, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. JOHN D. ROCKEFELLER IV,
U.S. SENATOR FROM WEST VIRGINIA**

The CHAIRMAN. Thank you, and good afternoon.

I want to welcome and congratulate the nominees. I guess I can't congratulate all of them yet. They have to be confirmed, and we have some people here to do some introductions.

But let me just make my opening statement, and then we will go to Senator Frank Lautenberg, who may have an opening statement, and we will go right to introductions.

Senator LAUTENBERG. Yes.

The CHAIRMAN. And obviously, I commend all of you for agreeing to serve the Nation. Sometimes it just takes about a year and a half to get confirmed, but that is part of public service, and you are doing good things for our country, and I appreciate that.

I have to apologize in advance for leaving half way through. I am going to do three nominees and Frank, Senator Lautenberg, is going to do three of the nominees. I want to thank Senator Lautenberg for chairing the panel and for his total commitment—he is sort of the founder or keeper of Amtrak. I guess Joe Biden wouldn't have liked that, but he is not here.

[Laughter.]

Senator LAUTENBERG. No, he would agree.

The CHAIRMAN. He would agree. OK.

And culminating in the Amtrak reauthorization that passed in this last Congress.

I want to welcome Mr. Scott Quehl, who I just met, the President's nominee to be Chief Financial Officer and Assistant Secretary of Administration for the Department of Commerce. It is a large job, with 38,000 people.

If confirmed, you will be responsible for overseeing the Department's financial resources, human resources, and facilities. With

the Department's \$17 billion budget, I am confident that your financial management experience will serve you well in carrying out these responsibilities.

I am also pleased to welcome Suresh Kumar, the President's nominee to be the Commerce Department's Assistant Secretary of Trade Promotion and Director General of the U.S. Foreign and Commercial Services.

Isn't that the job that Sue Schwab had? I think so, in a previous Administration.

Also, Mr. Philip Coyle has been nominated to be Associate Director for National Security and International Affairs in the Office of Science and Technology, OSTP, run by a very great man, indeed. This position is currently vacant and has sat unfilled for nearly a decade. I hope, Mr. Coyle, that your nomination will serve to highlight the importance of science in an inescapably globally connected world.

I now will turn to Frank Lautenberg, Senator Lautenberg, for any comments he might have, and then we will have introductions.

**STATEMENT OF HON. FRANK R. LAUTENBERG,
U.S. SENATOR FROM NEW JERSEY**

Senator LAUTENBERG. Thanks, Mr. Chairman, and thanks for the opportunity to be frank with you——

[Laughter.]

Senator LAUTENBERG. The staff knows when to laugh. Did you hear what I said?

The CHAIRMAN. No.

Senator LAUTENBERG. No, I said thanks for the opportunity to be frank with you. And I had to wait until the staff got a cue to laugh and——

The CHAIRMAN. It was good, but it was not a great joke.

[Laughter.]

Senator LAUTENBERG. I will take the man who owns one.

In any event, first of all, let me say that when we see two distinguished Senators, as we have, at the witness table, we can be sure that the people that they are here to acknowledge and greet are well-trained and deserve the opportunity that they have been nominated for.

First, I want to say that a good friend, Tony Coscia, is here. Though that is not reason enough to endorse him. He is really well-qualified, and I want to support his nomination to serve on the Board of Amtrak.

The American people and our Nation's passenger rail system will be well served by having Tony on the board. He has had great experience. He is the Chairman of the New York/New Jersey Port Authority and has learned an awful lot about transportation and the needs for our region.

When I think about families who are making travel plans for the holidays, I also think about the kind of problems that one could have getting through in their means of travel. There will be lines of airplanes on the tarmac and lines of cars on the highway. When America has a vibrant and truly national passenger rail system, there will be fewer lines, fewer hassles and delays because our

travelers will have more options. That is the reason I wrote the law last year to reform and revitalize Amtrak.

And Mr. Chairman, without your help, it never would have passed, and I am grateful to you for that. I know Tony can help make that law a success and help realize our vision of Amtrak becoming one of the premier passenger rail systems in the world, and I want it done in 5 years from now.

[Laughter.]

Senator LAUTENBERG. As Chairman of the Board for the Port Authority of New Jersey and New York, he has distinguished himself as one of the Nation's transportation experts. With experience achieving those goals in the most densely packed region in the country, Amtrak can be a better-run and smarter operation than it has now, saving more money, carrying more passengers, and expanding service into new areas of the country. And I know that our distinguished colleague Senator Hutchison is very much interested in rail service and promoting that.

While at the Port Authority, Tony led the adoption of a \$29 billion capital plan that spans over 10 years. The plan is going to help develop a new rail tunnel under the Hudson River, expand aviation facilities for our busy region, and rebuild the World Trade Center site.

And I was a Commissioner of the Port Authority before I came here, and I have got some sense of what it takes to manage this complex organization. I think it is being particularly well done.

And with Tony Coscia on the Amtrak board, I think our confidence has been boosted that we can accomplish the goals that we would like.

I am also pleased to introduce another New Jerseyian, Suresh Kumar, a New Jersey resident who is President Obama's nominee to head the United States and Foreign Commercial Service at the Department of Commerce.

The Commerce Department and its Foreign Commercial Service play a critical role in getting America's goods and services overseas and creating new jobs here at home. Especially in these difficult times, that job takes someone who understands government, understands business, and understands how the two can effectively work together.

Mr. Kumar is just the right man at the right time. As a management consultant based in Princeton, New Jersey, Mr. Kumar has devoted himself to helping businesses and nonprofits improve their efficiency and, at the same time, improve the lives of the people they serve. He worked for two of New Jersey's most distinguished companies—Johnson and Johnson and Warner-Lambert.

But, Mr. Kumar is more than one of New Jersey's successful businessmen and entrepreneurs. He is also a global citizen who has used his skills to help those who need that kind of help. He was a special adviser to the Clinton Foundation and worked with governments in Sub-Saharan Africa to create private-public partnerships that would help the region grow and develop.

I also came from the business world, as Mr. Kumar did, and I took what I learned starting a company and applied it to my work here in the Senate. For some reason or other, it seemed simpler then. But I know a business perspective is often what it takes to

get Government to run smoother, leaner, faster and to help even more people.

So I am pleased, Mr. Chairman, and I thank you for the opportunity to introduce these two outstanding candidates for the positions in Government.

The CHAIRMAN. Thank you, Senator Lautenberg.

And now our Ranking Member, Senator Hutchison.

**STATEMENT OF HON. KAY BAILEY HUTCHISON,
U.S. SENATOR FROM TEXAS**

Senator HUTCHISON. Thank you, Mr. Chairman.

I will not read my opening statement. I will submit it for the record. But I would like to let these witnesses go forward.

So thank you very much.

[The prepared statement of Senator Hutchison follows:]

PREPARED STATEMENT OF HON. KAY BAILEY HUTCHISON, U.S. SENATOR FROM TEXAS

Thank you, Mr. Chairman, for holding today's hearing. We will consider a number of nominees chosen to fill positions across a variety of agencies. I congratulate them on their nomination.

I want to first welcome Mr. Scott Quehl, who has been nominated to serve as Assistant Secretary for Administration and Chief Financial Officer at the Department of Commerce.

The Commerce Department's jurisdiction covers such far-reaching matters as domestic telecommunications infrastructure, the census, export promotion, and the National Oceanic and Atmospheric Administration (NOAA). With over \$17 billion in budget authority for Fiscal Year 2009, the Chief Financial Officer of the Department of Commerce has an enormous responsibility to ensure that the taxpayers' money is being spent wisely.

I look forward to hearing from Mr. Quehl and learning about his plans to ensure fiscal responsibility throughout the Department of Commerce.

I am pleased the Administration has moved to fill the position of Associate Director for National Security and International Affairs at the Office of Science and Technology Policy and welcome the nominee, Mr. Philip Coyle. This is an important position at OSTP, and a key to ensuring that America not only remains competitive, but also safe from bioterrorism, cyber sabotage, and other threats.

Mr. Coyle's background and experience make him well-equipped to undertake the challenges and responsibilities of this position, and I look forward to being able to support his confirmation.

I am also pleased to welcome Mr. Suresh Kumar, who has been nominated to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service. The U.S. and Foreign Commercial Service provides important services to U.S. businesses to help them compete in the global marketplace. It expands the markets available to U.S. exporters and provides assistance to small and medium sized businesses that want to promote their products overseas.

Mr. Kumar has significant international business experience and I look forward to hearing his ideas for the U.S. Commercial Service.

I would also like to recognize our transportation-related nominees, who will appear on the second panel today. Dr. Mark Rosekind has been nominated to be a member of the National Transportation Safety Board (NTSB), and Mr. Albert DiClemente and Mr. Anthony Coscia have been nominated to be members of the Amtrak Board of Directors.

As a former NTSB Vice-Chair, I understand well the important role the Board plays in promoting our Nation's transportation safety. Mr. Rosekind is a recognized expert in the area of fatigue, which impacts safety across all transportation modes. I will be interested in learning how he hopes to help the Board, and in turn, the transportation industry, address fatigue management, as well as hearing his views on other safety improvements.

And finally, I welcome the two Amtrak Board of Directors nominees, Mr. Coscia and Mr. DiClemente. I have long been a supporter of Amtrak and of a national system for passenger rail. It is important that we look beyond the Northeast Corridor to other parts of the country that can benefit from increased Amtrak service, including Texas. I will be very interested in hearing from Mr. Coscia and Mr. DiClemente

today on how they believe passenger rail service can be improved and expanded to play a greater role in our Nation's transportation system.

Thank you.

The CHAIRMAN. Now this is a little bit convoluted, but it will make sense in the end. Senator Kaufman and Senator Menendez, starting with Senator Menendez, you have people that you want to introduce. They will not necessarily be on the first panel. But I don't want to hold you here, and you don't want to be held here.

So please proceed with the introduction.

**STATEMENT OF HON. ROBERT MENENDEZ,
U.S. SENATOR FROM NEW JERSEY**

Senator MENENDEZ. Thank you, Mr. Chairman. Let me thank you and the Ranking Member for the opportunity to join Senator Lautenberg in joining in introducing Anthony Coscia as one of President Obama's nominees for the Amtrak Board of Directors.

And let me take the occasion to salute Senator Lautenberg's leadership on the Subcommittee on Surface Transportation. There isn't a better, stronger, most effective advocate for mass transit in this country, particularly rail transit, than Senator Lautenberg. And he has proven that over his time here in the U.S. Senate and has made the country better as a result of it.

I think there is a growing recognition that investing in passenger rail can strengthen our country in numerous ways—creating jobs, reducing dependence on foreign oil, cleaning the air that we breathe and the climate our children and grandchildren will inherit—and I believe passenger rail is an absolutely essential part of solving our transportation challenges.

And I am glad that this Administration has taken numerous steps to signal its commitment to this issue, including spearheading a long-awaited high-speed rail network. In short, now is the time to strengthen Amtrak and also provide it with firm leadership as it expands into a central component of our transportation future.

Tony Coscia is the right person at the right time to help lead Amtrak as a Member of its Board of Directors. As Senator Lautenberg said, he has, since 2003, been the Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey, where he oversees a nearly \$7 billion annual budget while managing some of the most critical infrastructure facilities in the region and in the country. Those include the PATH commuter railroad, five airports, four port facilities, six bridges and tunnels, and the World Trade Center.

As Chairman, he has worked diligently to ensure the safety and security of the Port Authority's facilities, improve the transportation networks between New York and New Jersey, and spearheaded the agency's new mass transit rail initiatives.

He, prior to this work, spent 11 years as Chairman of the New Jersey Economic Development Authority, where he worked to strengthen the Garden State's economic base and revitalize communities through job creation and retention.

Now I have worked closely with many people, Mr. Chairman, over the 37 years of my public service. I have to be honest with you. I have never seen someone who has the scope of intellect,

breadth of experience, as well as someone who can bring people together in common cause to achieve a goal as Tony Coscia has.

And he has great management skills to add to that, as well as his commitment to improving the Nation's rail transportation center, as is evidenced by the latest, most significant project we are seeing in the country—a new mass transit tunnel leading between New York and New Jersey, about an \$8 billion to \$9 billion program that will move literally thousands and thousands of people successfully each and every day.

So given his proven leadership skills, I certainly am confident of what he can do for Amtrak. I urge you, Mr. Chairman and the Committee, to expeditiously support his nomination, send it to the Senate for full confirmation, where I look forward to being able to support him on the floor.

The CHAIRMAN. Thank you, Senator Menendez.
Senator Kaufman?

**STATEMENT OF HON. TED KAUFMAN,
U.S. SENATOR FROM DELAWARE**

Senator KAUFMAN. Chairman Rockefeller, Ranking Member Hutchison, other members of the Committee, thank you for the opportunity to appear before you to introduce Bert DiClemente, one of the President's nominees for the Amtrak Board of Directors.

I have known Bert DiClemente for over 30 years. He served as a State Director in Delaware for then-Senator Joe Biden for 20 of those years. So he has been a colleague, a trusted adviser to Joe Biden and to me, and a dear friend for a long, long time. I know him very, very well.

It is a privilege for me to introduce Bert because I think so very highly of him. I can recommend him to the Committee strongly, unequivocally, and completely without reservation. Bert is a man of great intelligence, character, integrity, and conviction. Bert was named for his father, who worked for railroads his entire career, including at Amtrak, from which he retired in 1976.

As long as I have known Bert, he has been passionately interested in railroads and Amtrak. Equally as important, Bert has been intimately involved for almost every aspect of Amtrak for decades. He has been involved with many Amtrak projects, the Amtrak shops, Amtrak management, Amtrak labor issues, especially Amtrak labor issues. He knows Amtrak, and he knows its people—hundreds, if not thousands—its challenges, its strengths and weaknesses very, very well.

Bert is truly honored to have this opportunity. I can assure this Committee that he will take on these responsibilities with sincere dedication and purpose. He will be an excellent leader and director on the Amtrak Board if the Senate chooses to confirm him, which I certainly hope it will.

Bert is a great choice. I look forward to having him on the Amtrak Board, and I want to thank you.

The CHAIRMAN. Thank you very much, Senators Kaufman and Menendez. Thank you for giving your time to the folks you introduced and to us.

I want to call the first panel of nominees to the witness table. That would be Suresh Kumar, nominee to be Director of U.S. and

Foreign Commercial Service; Philip Coyle, nominee to be Associate Director at the Office of Science and Technology Policy; and Mr. Scott Quehl, nominated to be Chief Financial Officer at the Department of Commerce.

And I would welcome your opening statements, perhaps starting with you, Mr. Coyle. And if you have family members with you, we want to see them.

**STATEMENT OF HON. PHILIP E. COYLE III,
ASSOCIATE DIRECTOR-DESIGNATE,
OFFICE OF SCIENCE AND TECHNOLOGY POLICY,
EXECUTIVE OFFICE OF THE PRESIDENT**

Mr. COYLE. Thank you, Senator Rockefeller.

My wife, Dr. Martha Krebs, was not able to be here today. She had wanted to, but wasn't able to. Martha had the great pleasure of working for Senator Nelson, then Representative Nelson on the House Science Committee. So our family has a kinship with this Committee through those connections.

Martha and I share a lifetime of service to our country. Among other things, Martha is a former Assistant Secretary of Energy for Science.

Chairman Rockefeller, Ranking Member Hutchison, members of the Committee, it is a pleasure and an honor to appear before you today as President Obama's nominee to be Associate Director for National Security and International Affairs in the Office of Science and Technology Policy.

If confirmed, I will consider it an honor to serve the President, his science adviser, Dr. John Holdren, and to work with you and your colleagues to ensure that our national investments in science and technology serve the American people to develop science and technology programs that will increase America's productivity and drive economic growth, to improve the Nation's health, to provide new sources of energy, and to protect the environment, and in particular, to safeguard U.S. national security to protect our troops and to improve the verification of arms control and nonproliferation agreements.

I was recently asked which aspects of my experience have prepared me for the position to which I have been nominated. Looking back over my career, I realized that every one of the jobs I have held since 1959 has helped to prepare me for the position for which I have been nominated.

If confirmed, I will leverage my 33 years with the Lawrence Livermore National Laboratory, from which I retired as Deputy to the Director. Additionally, my background includes service as Assistant Secretary of Defense and Director of Operational Test and Evaluation at the DoD, as Deputy Assistant Secretary, Defense Programs at the U.S. Department of Energy, work with private industry, and most recently with a nongovernmental organization, the World Security Institute.

If I am confirmed, this would be an opportunity to serve my country once again, to contribute to the national security of the United States, to help support science and technology for America's present needs and future development, and to help foster inter-

national science and technology collaboration to advance U.S. foreign policy objectives.

We must make every effort to ensure we strengthen America's innovation in science and technology. Our Nation is dependent on these innovative forces. American military technology is the envy of the world, and American research and development enterprise is indispensable to our future.

American private industry has played a key role in developing products and services that improve the quality of our lives, strengthen our economy, and protect us. Equally important are America's colleges and universities, which provide essential contributions to basic research and help young people understand the power of modern science.

If confirmed, I will work with Government scientists, policymakers, private industry, and educators to help their skills and experience—to help apply their skills and experience to the many national security challenges our Nation faces.

If confirmed by the Senate, I look forward to working with the exceptional national security and international affairs teams assembled by President Obama, with the Congress, and particularly with the members and staff of this Committee on national security challenges and opportunities facing our Nation.

I am grateful for the courtesy shown by your staff over the past several weeks, and I look forward to working with you and them in the future.

Mr. Chairman, I would be pleased to take any questions you may have.

[The prepared statement and biographical information of Mr. Coyle follows:]

PREPARED STATEMENT OF HON. PHILIP E. COYLE III, ASSOCIATE DIRECTOR-DESIGNATE, OFFICE OF SCIENCE AND TECHNOLOGY POLICY, EXECUTIVE OFFICE OF THE PRESIDENT

Chairman Rockefeller, Ranking Member Hutchinson, it is a pleasure and an honor to appear before you today as President Obama's nominee to be Associate Director for National Security and International Affairs in the Office of Science and Technology Policy.

If confirmed, I will consider it an honor to serve the President, his Science Advisor, Dr. John P. Holdren, and to work with you and your colleagues to ensure that our national investments in science and technology serve the American people; to develop science and technology programs that will increase American productivity and drive economic growth; to improve the Nation's health; to provide new sources of energy and to protect the environment; and, in particular, to safeguard U.S. national security, to protect our troops, and to improve verification of arms control and nonproliferation agreements.

Mr. Chairman, my wife, Dr. Martha Krebs, was not able to be here today. Martha had the great pleasure of working for Senator Nelson, then Representative Nelson, on the House Science Committee. My wife and I share a lifetime of service to our country. Among other things, Martha is a former Assistant Secretary of Energy for Science.

I was recently asked which aspects of my experience have prepared me for the position to which I have been nominated. Looking back over my career, I realized that every one of the jobs I have held since 1959 has helped to prepare me for the position for which I have been nominated. If confirmed, I will leverage my 33 years with the Lawrence Livermore National Laboratory, from which I retired as deputy to the Director. Additionally, my background includes service as Assistant Secretary and Director Operational Test and Evaluation in the U.S. Department of Defense; Deputy Assistant Secretary for Defense Programs, U.S. Department of Energy; work with private industry; and most recently with a non-governmental organization, the

World Security Institute. If I am confirmed, this would be an opportunity to serve my country once again, to contribute to the national security of the United States, to help support science and technology for America's present needs and future development, and to help foster international science and technology collaboration to advance U.S. foreign-policy objectives.

We must make every effort to ensure we strengthen America's innovations in science and technology. Our national security is dependent on these innovative forces. American military technology is the envy of the world, and America's research and development enterprise is indispensable to our future. American private industry has played a key role in developing products and services that improve the quality of our lives, strengthen our economy, and protect us. Equally important are America's colleges and universities, which provide essential contributions to basic research and help young people understand the power of modern science. If confirmed, I will work with government scientists, policymakers, private industry, and educators to apply their skills and experience to the many national security challenges our Nation faces.

If confirmed by the Senate, I look forward to working with the exceptional national security and international affairs teams assembled by President Obama, with the Congress, and particularly with the members and staff of this committee on the national security challenges and opportunities facing our Nation. I am grateful for the courtesy shown by your staff over the past several weeks, and I look forward to working with you and them in the future.

I am pleased to answer any questions you may have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Philip E. Coyle III.
2. Position to which nominated: Associate Director, National Security and International Affairs, Office of Science and Technology Policy.
3. Date of Nomination: October 28, 2009.
4. Address (List current place of residence and office addresses):
23 Watercrest Court, Sacramento, CA, 95831. Residence and day-to-day office.
5. Date and Place of Birth: August 30, 1934; Beverly, Massachusetts, USA.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).
Spouse: Dr. Martha A. Krebs, Executive Director, Energy and Environmental Research Development, Office of Research, University of California at Davis; children: Laurie E. Monserrat (daughter), age 51; Philip E. Coyle, IV (son), age 48, James Evans Coyle (son), age 46; Jonathan H. Leidecker (step son), age 39.
7. List all college and graduate degrees. Provide year and school attended.
Dartmouth College, BA, 1956, MSME, 1957.
8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.
2001–present, Senior Advisor, World Security Institute (formerly the Center for Defense Information).
1994–2001, Director Operational Test and Evaluation, U.S. Department of Defense.
Consultant, DynCorp Meridian, 1993–1994.
1981–1993, Laboratory Associate Director, Lawrence Livermore National Laboratory, retired in 1993 (the second time).
1979–1981, Deputy Assistant Secretary for Defense Programs, U.S. Department of Energy.
1959–1979, various positions beginning as staff engineer in 1959, retired in 1979 (the first time) as Deputy Associate Director for Lasers, Lawrence Livermore National Laboratory.
1957 to 1959, Teacher, Chadwick School.
9. Attach a copy of your resume. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.

State of California, Governor Schwarzenegger's Base Support and Retention Council, 2004.

Defense Base Realignment and Closure Commission, 2005, appointed by President George W. Bush.

The Standing Committee on Biodefense at the U.S. Department of Defense, the National Research Council, 2007–present.

The Committee on Advanced Spectroscopic Portals, sponsored by DHS, the National Research Council, 2008–2009.

The Committee on Improving Processes and Policies for the Acquisition and Test of Information Technology in the DOD, the National Research Council, 2008–present.

The Committee on the Test and Evaluation of Biological Standoff Detection Systems, for the U.S. Army, the National Research Council, 2007–2008.

The Committee on Criteria for the Management of Los Alamos and Lawrence Livermore National Laboratories, "Maintaining High Scientific Quality at Los Alamos and Lawrence Livermore National Laboratories," for DOE/NNSA, the National Research Council, 2004.

The Committee on the Review of Testing and Evaluation Methodology for Biological Point Detectors, for the U.S. Army, the National Research Council, 2003–2004.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Senior Advisor, World Security Institute (formerly the Center for Defense Information), 2001–present.

Consultant, Defense Group Inc. (DGI), 2006.

Consultant, RAND Corporation, 2005, 2007, and 2008.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap: None.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No, none.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

8/20/09	Mark Desaulnier	\$400
4/25/09	DCCC	\$2,000
8/7/08	Obama for America	\$500
2/14/08	Tauscher for Congress	\$2,000
8/12/07	Hillary for President	\$2,300
6/26/07	Steve Filson for Assembly	\$1,000
10/26/06	Tauscher for Congress	\$2,000
5/15/06	Steve Filson for Congress	\$1,000
4/08/06	Steve Filson for Congress	\$1,000
3/5/06	Tauscher for Congress	\$500
12/3/05	Friends of Hillary	\$500
10/31/05	Ellen Tauscher	\$250
9/19/05	DCCC	\$1,000
10/26/04	Committee to Reelect Linda Sánchez	\$500
9/20/04	DCCC	\$1,000
8/12/04	Committee to Reelect Linda Sánchez	\$500
5/23/04	DCCC	\$1,000
3/10/04	John Kerry for President	\$2,000
1/9/04	Howard Dean	\$250
1/7/04	Linda Sánchez	\$250
1/3/04	Tauscher for Congress	\$500
12/4/03	Friends of Hillary	\$1,000

9/30/03	Howard Dean	\$250
9/26/03	Linda Sánchez	\$250
9/24/03	Loretta Sanchez	\$250
6/1/03	Loretta Sanchez for Congress	\$500
4/15/03	Tauscher for Congress	\$500
9/30/02	Committee to Reelect Loretta Sanchez	\$500
9/30/02	Rush Holt for Congress	\$500
5/28/02	Friends of Carl Levin	\$1,000
3/1/02	Tauscher for Congress	\$500
3/1/02	Rush Holt for Congress	
2/4/02	Committee to Reelect Loretta Sanchez	\$500
2/24/02	Kucinich for Congress	\$500
6/24/02	Loretta Sanchez	\$400
3/8/02	Ellen Tauscher	\$500
8/20/01	Friends of Hillary	\$500
3/14/01	Carl Levin	\$500
5/12/00	Ellen Tauscher	\$1,000
12/7/99	Ellen Tauscher	\$500
10/21/99	Al Gore	\$1,000
10/18/99	Al Gore	\$500
7/27/99	Hillary Clinton	\$500
5/5/99	Al Gore	\$250

No offices held nor services rendered to a state or national political party or election committee.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

In 1997, awarded the Defense Distinguished Service Medal by Secretary of Defense William Perry, and in 2001 the Bronze Palm of the Defense Distinguished Service Medal by Secretary of Defense William Cohen.

In September 2000, awarded the Allan R. Matthews Award of the International Test and Evaluation Association, its highest award, for contributions to the management and technology of test and evaluation.

In March 2001, received the Hollis Award from the National Defense Industrial Association for lifelong achievement in defense test and evaluation.

By Aviation Week Magazine, named as one of its Laurels honorees for the year 2000, a select group of people recognized for outstanding contributions in aerospace.

In recognition of my years of service to the Laboratory and to the University of California, the University named me Laboratory Associate Director Emeritus.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

Contributor to "Global Biosecurity," edited by Peter Katona, Michael D. Intriligator and John P. Sullivan, Routledge, London, expected publication date 2010.

"The Proliferation Security Initiative, Background, history, and prospects," a commissioned paper for the International Commission on Nuclear Non-proliferation and Disarmament, January 2009.

"Missile Defense Malfunction," Ethics and International Affairs Journal, Volume 22.1 Spring, 2008, a commissioned paper for the Carnegie Council on Ethics in International Affairs.

"Missile Defense and Arms Control, 25 Years Later," The Defense Monitor, the Center for Defense Information, March 21, 2008, with Victoria Samson; also see various electronic postings on the Center for Defense Information website, 2001 to the present.

"The Limits and Liabilities of Missile Defense," Current History, November 2006.

"Is Missile Defense on Target?," Arms Control Today, October 2003; Viewpoint.

"The Truth About Missile Defense: Will Science Make a Difference?," a review of the American Physical Society report on the scientific feasibility of boost-phase missile defense, for the APS News, a journal of the American Physical Society, October 2003.

"Missile Defense in the Bush Administration," Arms Control Today, May 2002.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

March 17, 2009, House Committee on Appropriations, Subcommittee on Energy and Water: The Future of the DOE Complex Transformation Program.

February 25, 2009, House Committee on Armed Services, Subcommittee on Strategic Forces: The Future of Missile Defense Testing.

April 30, 2008, House Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs: Oversight of Ballistic Missile Defense, (Part 3).

April 30, 2008, House Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs: Oversight of Ballistic Missile Defense, (Part 2).

December 7, 2007, Senate Democratic Policy Committee: Department of Defense Spending in Iraq.

June 6, 2007, House Armed Services Committee, Subcommittee on Air and Land Forces: Army Force Protection Programs and Operation Iraqi Freedom and Operation Enduring Freedom, Body Armor.

January 18, 2007, House Armed Services Committee, Subcommittee on Air and Land Forces: Army Force Protection Programs and Operation Iraqi Freedom and Operation Enduring Freedom, Active Protection Systems.

August 22, 2002, Commission on the Future of the United States Aerospace Industry.

June 11, 2002, House Committee on Government Reform and Oversight: Missile Defense Testing.

July 19, 2001, Senate Committee on Armed Services, Full Committee: Ballistic missile defense policies and programs.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

Among the qualifications I would bring to the position is thirty-three years experience with the Lawrence Livermore National Laboratory in a variety of scientific and leadership positions, and from which I retired as Deputy to the Director. I also bring experience as Deputy Assistant Secretary for Defense Programs in the Department of Energy, and my service from 1994 to 2001 as Assistant Secretary for Test and Evaluation (Director, Operational Test and Evaluation) in the Department of Defense. It would be an honor to serve in the Office of Science and Technology Policy. If I am confirmed, this would be an opportunity to serve my country once again, to contribute to the national security of the United States, to help support science and technology for America's present needs and future development, and to help foster international science and technology collaboration to advance U.S. foreign-policy objectives.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

With respect to sustaining proper management and accounting controls, my responsibilities, if confirmed, would be to assure that all activities under my purview at OSTP were managed in accordance with applicable laws, regulations, and Congressional guidelines, in accordance with the highest professional standards for scientific research and technology development, and in accordance with scientific and technological standards and practices for careful peer review. My experience in managing large organizations includes serving as the Deputy Director of the Lawrence Livermore National Laboratory, at the time a 10,000 person Laboratory, serving as Assistant Secretary for Test and Evaluation (*i.e.*, Director Operational Test and Evaluation) in the Department of Defense, and serving as Deputy Assistant Secretary for Defense Programs in the Department of Energy.

20. What do you believe to be the top three challenges facing the department/agency, and why?

1. Developing science and technology programs that will increase American productivity and drive economic growth.
2. Developing science and technology programs that will improve health, provide new sources of energy, and safeguard the environment.

3. Developing science and technology programs that will safeguard U.S. national security, protect our troops, and support improved verification of arms control and verification agreements.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

Pension, California State Public Employees Retirement System; Pension, University of California Retirement System.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain: No, none.

3. 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.

4. 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.

5. Describe any activity during the past 10 years in which you have been 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: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the designated agency ethics official for OSTP and that has been provided to this Committee.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain: No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

I have been named as a defendant in several civil suits, but solely in my capacity as a member of the 2005 Base Realignment and Closure Commission. None of these cases alleged any personal wrong doing, and I have played no role in their litigation.

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, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

Work Experience Summary

Philip Coyle is a Senior Advisor to the President of the World Security Institute, and to its Center for Defense Information, a Washington D.C.-based national security study center. He is a recognized expert on U.S. and worldwide military research, development and testing, on operational military matters, and on national security policy and defense spending.

As an independent expert, Mr. Coyle has been called upon to testify before Congress and to brief Congressional staff on the status of major defense acquisition programs and related policy matters.

In 2005 and 2006, Philip Coyle served on the nine-member Defense Base Realignment and Closure Commission (BRAC), appointed by President George W. Bush and nominated by House Democratic Leader, Nancy Pelosi. The Commission was responsible to determine those U.S. military bases and facilities to be closed or realigned beginning in late 2005.

Mr. Coyle also served on Governor Arnold Schwarzenegger's Base Support and Retention Council, from which he resigned to serve on the President's BRAC Commission.

From September 29, 1994, through January 20, 2001, Mr. Coyle was Assistant Secretary of Defense and Director, Operational Test and Evaluation, in the Department of Defense, and is the longest serving Director in the 25 year history of the Office. In this capacity, he was the principal advisor to the Secretary of Defense on test and evaluation in the DOD.

At the DOD, Mr. Coyle's responsibilities included stewardship of the Major Range and Test Facility Bases of the DOD, including the large test ranges and test centers which the DOD operates from Maryland and Florida to California and Hawaii.

As Director, Operational Test and Evaluation, Mr. Coyle had responsibility for overseeing the test and evaluation of over 200 major defense acquisition systems. This included reporting to the Secretary of Defense, and to Congress, on the adequacy of the DOD testing programs, and on the results from those testing programs.

Mr. Coyle has 40 years experience in national security research, development, and testing matters. From 1959 to 1979, and again from 1981 to 1993, Mr. Coyle worked at the Lawrence Livermore National Laboratory (LLNL) in Livermore, California. Over those 33 years Mr. Coyle worked on a variety of nuclear weapons programs and other high technology programs. His experience with nuclear weapons includes original engineering design, manufacturing and production, testing, and stockpile surveillance and stewardship. Mr. Coyle also served as Deputy Associate Director of the Laser Program at LLNL. Mr. Coyle retired from the Laboratory in 1993 as Laboratory Associate Director and deputy to the Director.

In recognition of his years of service to the Laboratory and to the University of California, the University named Mr. Coyle Laboratory Associate Director Emeritus.

During the Carter Administration, Mr. Coyle served as Principal Deputy Assistant Secretary for Defense Programs in the Department of Energy (DOE). In this capacity he had oversight responsibility for the nuclear weapons research, development, production and testing programs of the Department, as well as the DOE programs in arms control, non-proliferation, and nuclear safeguards and security.

Recent Activities and Memberships

Currently Mr. Coyle serves on three National Academy of Sciences Committees:

- The Standing Committee on Biodefense at the U.S. Department of Defense, the National Research Council, 2007 to present.
- The Committee on Advanced Spectroscopic Portals, sponsored by DHS, the National Research Council, 2008 to present, and
- The Committee on Improving Processes and Policies for the Acquisition and Test of Information Technology in the DOD, the National Research Council, 2008 to present.

In recent years Mr. Coyle has served on a number of committees and studies including:

Member, the Committee on the Test and Evaluation of Biological Standoff Detection Systems, for the U.S. Army, the National Research Council, 2007–2008.

Member, "Nuclear Forensics: Role, State of the Art, Program Needs," Joint Working Group of the American Physical Society Panel on Public Affairs and the American Association for the Advancement of Science, 2007–2008.

Member, the AAAS Nuclear Weapons Complex Assessment Committee, "United States Nuclear Weapons Program: The Role of the Reliable Replacement Warhead," the American Association for the Advancement of Science, 2007.

Senior Advisor, Wind Tunnel and Propulsion Test Facilities, An Assessment of NASA's Capabilities to Serve National Needs," An Update. RAND, 2008.

Senior Advisor, Wind Tunnel and Propulsion Test Facilities, An Assessment of NASA's Capabilities to Serve National Needs," RAND, 2004.

Senior Advisor, "Wind Tunnel and Propulsion Test Facilities, Supporting Analyses to an Assessment of NASA's Capabilities to Serve National Needs" RAND, 2004.

Member, The Committee on Criteria for the Management of Los Alamos and Lawrence Livermore National Laboratories, "Maintaining High Scientific Quality at Los Alamos and Lawrence Livermore National Laboratories," for DOE/ NNSA, the National Research Council, 2004.

Member, the Committee on the Review of Testing and Evaluation Methodology for Biological Point Detectors, for the U.S. Army, the National Research Council, 2003–2004.

Honors

Mr. Coyle was awarded the Defense Distinguished Service Medal by Secretary of Defense William Perry, and the Bronze Palm of the Defense Distinguished Service Medal by Secretary of Defense William Cohen.

In September, 2000, the International Test and Evaluation Association awarded Mr. Coyle the Allan R. Matthews Award, its highest award, for his contributions to the management and technology of test and evaluation.

In March, 2001, Mr. Coyle received the Hollis Award from the National Defense Industrial Association for his lifelong achievement in defense test and evaluation.

Aviation Week Magazine named Mr. Coyle as one of its Laurels honorees for the year 2000, a select group of people recognized for outstanding contributions in aerospace.

Education

Mr. Coyle graduated from Dartmouth College with an MS in Mechanical Engineering (1957) and a BA (1956).

Family

His wife, Dr. Martha Krebs, was Assistant Secretary of Energy and Director of the Office of Science from 1993 to 2000, and served as deputy director for R&D at the California Energy Commission. They have four grown children, five grandchildren, and one great grandchild, and live in Sacramento, CA.

June 2009

The CHAIRMAN. Thank you, Mr. Coyle.

We will have questions, but I would like to turn to Mr. Quehl now, and we welcome you, sir.

STATEMENT OF SCOTT BOYER QUEHL, CHIEF FINANCIAL OFFICER-DESIGNATE AND ASSISTANT SECRETARY-DESIGNATE FOR ADMINISTRATION, UNITED STATES DEPARTMENT OF COMMERCE

Mr. QUEHL. Thank you, Chairman. Chairman Rockefeller—

The CHAIRMAN. Do you have family to introduce?

Mr. QUEHL. I do. Thank you.

I would like to introduce Valerie Piper, my spouse, and my son, Mark Quehl. Valerie is my guiding light with respect to a reminder of the importance of public service. She is the Executive Director for the Center for Redevelopment Excellence at the University of Pennsylvania. She is dedicating her energies to the expansion of

publicly assisted housing in New Orleans. She is an adviser to the Annie E. Casey Foundation and to the Chicago Housing Authority.

My son, Mark, is the center of our collective hearts, Valerie and mine, born in raised in Philadelphia, Pennsylvania, proudly attending first grade at St. Peter's School. He is quite active in the ballet and martial arts and exposes me to beatings on a regular basis.

My mother, Janeen Joy Babler, and stepfather, David Alvin Babler, are here. My mother is a professional artist who was recognized by Governor Doyle of Wisconsin for her contributions to the Wisconsin State quarter design. David has been a father figure to me and great friend ever since I have known him.

Also here today from my family are Frank and Susan Carr. Frank has dedicated his career to the Federal Aviation Administration.

The CHAIRMAN. Can you imagine what would have happened had you not introduced them?

[Laughter.]

The CHAIRMAN. Please proceed with your statement.

Mr. QUEHL. Thank you, Mr. Chairman.

Chairman Rockefeller, Ranking Member Hutchison, and distinguished members of this Committee, I am honored and I am humbled to be with you today as President Obama's nominee to serve the United States Department of Commerce as the Chief Financial Officer and Assistant Secretary for Administration.

I would like to thank the members of this Committee and the staff for very fine and thought-provoking discussions over the last several weeks leading up to this hearing on the Department's financial and management priorities. We all share a common commitment, it is very clear, to a department that is efficient and effective in helping to stimulate economic recovery and sustain that recovery over the long term. If confirmed, I look forward to open communications with you and your staffs in the years ahead.

I would also wish to thank President Obama and Secretary Locke for the confidence they have shown in me for putting forward my nomination. I am grateful to the support of Senator Kohl of Wisconsin, where I principally grew up, and from Senator Casey of Pennsylvania, where I attended graduate school, where Valerie and I have raised Mark, and where I have lived for the last 11 years.

Finally, I wish to thank two public servants who have been essential to my professional formation. At a very personal level, both have shown me that a Chief Financial Officer's vision of energy and of rigor and of courage can extend the reach beyond general ledgers and budget object classes to make Government simply better, better able to help people make the most of their own lives.

First would be former Chief Financial Officer and former Mayor of the District of Columbia Anthony Williams. The other would be former Finance Director of the City of Philadelphia, former Controller of the United States, and presently Senior Adviser to the President, Vice President, and the OMB Director, G. Edward DeSeve.

My job, if confirmed, will be to ensure that the Department's mission, its goals, and its budgets are connected to measurable results that matter; to ensure that the Department makes best use of its human capital and to manage its risks prudently; to procure

goods and services cost-effectively and fairly, particularly large mission-critical capital assets whose success will be critical not only programmatic outcomes, but the department's budget stability; to facilitate an integrated department, which applies taxpayer resources to achieve the public policy aims for which they were intended while respecting appropriately distinctions in program goals and even bureau cultures; to build upon the department's well-deserved reputation for clean audit opinions, for solid internal controls, and for faithful financial reporting; to effectively plan, budget, and manage the department's 860-plus facilities and other assets and secure them from those who would do our country harm; to invest soundly and efficiently the resources entrusted to the department for the implementation of the American Recovery and Reinvestment Act.

I know the positive impact a well-executed Government administration in such areas—the impact that these could have, from my service as a Peace Corps volunteer, from my service at the World Bank, from my service in the Metropolitan Police Department of the District of Columbia as Chief Financial Officer, from my service in the Office of Federal Financial Management for the United States Office of Management and Budget, and to the advice and support I have given to governments in 16 states and 4 countries in helping them meet their financial and operational challenges.

If confirmed, I will work in a spirit of partnership and client service that has been articulated by Secretary Gary Locke with the department's policy, program, and operations leadership, seeking the counsel and implementation support from the department's strong corps of career service employees.

If confirmed, I will view the Inspector General and the Government Accountability Office as sources of expertise to be consulted frequently. I will draw from and contribute to the formulation of best management practices within the Federal Government through interagency councils, and in close consultation with the Office of Management and Budget.

Mr. Chairman, I thank you for your consideration of my nomination and for the opportunity to address this Committee today and would welcome further questions.

[The prepared statement and biographical information of Mr. Quehl follows:]

PREPARED STATEMENT OF SCOTT BOYER QUEHL, CHIEF FINANCIAL OFFICER-DESIGNATE AND ASSISTANT SECRETARY-DESIGNATE FOR ADMINISTRATION, UNITED STATES DEPARTMENT OF COMMERCE

Chairman Rockefeller, Ranking Member Hutchison, distinguished members of the Committee, I am honored and humbled to come before you today as President Obama's nominee to be Chief Financial Officer and Assistant Secretary for Administration of the United States Department of Commerce. I want to thank the Members of this Committee and their staff for our productive discussions on the Department's finances and operations in the weeks leading up to this hearing. We all share a commitment to a Department that is efficient and effective, as it promotes accelerated economic recovery and sustainable growth through trade promotion and commercial diplomacy, innovation and intellectual property, and the science and infrastructure that businesses will rely upon to develop a vibrant clean energy industry. If confirmed, I look forward to open communications with all of you as we work together to translate this commitment into results.

I also thank President Obama and Secretary Locke for the confidence they have shown in me by putting forward my nomination to serve our country at such a crit-

ical time. I am grateful for the support from Senator Kohl of Wisconsin. Monroe and Green Bay, Wisconsin provided loving communities for the families which raised me: the Quehls, the Sheltons, the Boyers, and the Bablers. It was the faculty of Monroe's public schools who made a student out of me, and the professors of Lawrence University who instilled a habit of mind for challenging assumptions and critical thinking.

I appreciate the statement of support from Senator Casey of Pennsylvania. Pennsylvania has been the birthplace of my son; the place where I received my advanced education at the University of Pennsylvania's Fels Institute of Government; and a place where, for a decade, my partners and I helped governments in 16 states pull themselves back from the brink of financial collapse, head off pending financial and operational problems before they resulted in crisis, or improve very good management practices into great ones. Finally, I thank two public servants who have been essential in my professional formation—who have shown me how a chief financial officer of vision, of energy, and of courage can extend beyond ledgers and budget object classes to make government better able to help people make the most of their own lives: CFO, then Mayor, of the District of Columbia Anthony Williams; and former Finance Director of Philadelphia, Controller of the United States, and present Senior Advisor to the President, Vice President, and OMB Director, G. Edward DeSeve.

I would like to introduce my wife, Valerie Gregory Piper, and son, Mark Gregory Babler Quehl. Valerie, Executive Director for the University of Pennsylvania's Center for Urban Redevelopment Excellence, devotes herself to the expansion of publicly-assisted housing in New Orleans and serves as advisor to the Annie E. Casey Foundation and the Chicago Housing Authority. Mark, the center of Valerie and my collective heart, attends the first grade at St. Peter's School in Philadelphia, and helps us operate our farm in Delaware County, New York. Also here today are my mother, Janeen Joy Babler—an artist recognized by the Governor of Wisconsin for her contributions to the design of the state's quarter—and my step-father and great friend, David Alvin Babler.

My job, if confirmed, will be to carry out such responsibilities as the following:

- Ensuring the Department's mission, goals, and budgets are connected to measurable results that matter.
- Ensuring the Department makes best use of its human capital, providing the management and tools to improve productivity and results.
- Procuring goods and services cost-effectively and fairly—particularly large, mission-critical capital assets whose success or failure have material bearing on programmatic success and Department budget stability.
- Managing risk prudently.
- Facilitating an integrated Department which applies taxpayer resources to achieve the policy results intended while respecting appropriately distinct goals, even cultures, of bureaus and programs.
- Building upon the Department's well-deserved reputation for clean audit opinions, internal controls, and faithful financial reporting.
- Effectively planning, budgeting, and managing the Department's 860 facilities and other assets, and secure them from those who would do our country harm.
- Investing—soundly and effectively—the resources entrusted to the Department for implementation of the America Recovery and Reinvestment Act.

I know the positive impact well-executed government administration in such areas can have, through my experiences as a Peace Corps Volunteer, at the World Bank, with the Metropolitan Police Department of the District of Columbia, with the Office of Federal Financial Management of the U.S. Office of Management and Budget, and while helping governments throughout the country meet their challenges.

If confirmed, I will work in a spirit of partnership and client service that has been articulated by Secretary Gary Locke with the Department's policy, program, and operations leadership, seeking counsel and implementation support from the Department's strong corps of career service employees. I will view the Inspector General and the Government Accountability Office as sources of expertise to be consulted frequently. If confirmed, I will draw from, and contribute to, the formulation of best practices through the Federal CFO Council and other inter-agency councils, and through working closely with the Office of Management and Budget. And I will seek open dialogue with this Committee and other Members of Congress. Mr. Chairman, I thank you for your consideration of my nomination and for the opportunity to address any questions that you and your colleagues might have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Scott Boyer Quehl.
2. Position to which nominated: Chief Financial Officer/Assistant Secretary for Administration, Department of Commerce.
3. Date of Nomination: October 16, 2009.
4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.

Office: Public Resources Advisory Group, 117 Gayley Street, Suite 200, Media, PA 19063.

5. Date and Place of Birth: February 9, 1966; Springfield, Ohio.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Wife: Valerie Gregory Piper, Executive Director, Center for Urban Development Excellence, University of Pennsylvania and President, Piper Advisory Services; son: Mark Gregory Babler Quehl, age 7.

7. List all college and graduate degrees. Provide year and school attended.

Lawrence University, Appleton, WI. Bachelor of Arts in Political Science and History, 1984–1988.

University of Pennsylvania, Fels Institute of Government, Philadelphia, PA. Master's of Government Administration, 1991–1993.

8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Public Resources Advisory Group, Philadelphia, PA, 2009 to Present. Senior Managing Director. Leading Strategic Advisory Group, offering operating and capital budget, management, infrastructure finance, and debt advisory services to state and local governments.

Quehl Advisors/Parnassus Advisors, LLC, Philadelphia, PA, 2008–2009. President. Provided management and financial advice to the City of Camden, New Jersey to analyze and recommend improvements to the City's employee benefits, insurance, and related procurement, information technology, and human resource management practices. Project sponsored by the Brookings Institution and supervised by the State of New Jersey's Treasury Department. On pro bono basis, provided advice to the City of Philadelphia on strategy to contain growth of Police Department overtime costs, and to the Fels Institute of Government at the University of Pennsylvania on expanding its consulting services to local and state governments.

Mark's Good Apples, Bloomville, NY, 2008 to 9/30/09, President. Developing locally grown produce to promote quality of nutrition and life in Western Catskills.

JPMorgan Securities, Inc., New York, NY, 2007–2008. Managing Director, Head of Tax-Exempt Capital Markets Mid-Atlantic Group/CoHead Infrastructure Advisory Group. Mobilized JPMorgan business units to expand government investment banking services in Mid-Atlantic, including the District of Columbia's 2008 conversion and remarketing of \$185 million Variable Rate Demand Bonds. Co-Head of Infrastructure Advisory Group, with focus on public-private partnerships and knowledge management system development. Member of JPMorgan's Tax Exempt Capital Markets Operating Committee.

Public Financial Management, Inc. ("PFM"), Philadelphia, PA, 1997–2007. Managing Director. Led in emergence of PFM's Strategic Consulting Group, connecting city and county policy priorities to financial strategy and improved budgeting, labor relations/personnel management, privatization, procurement, technology, revenue enhancement, cost containment, organizational restructuring, service delivery, performance metrics, credit ratings, and/or debt management in 14 states. Advisor to Metro Louisville-Jefferson County, KY; Minneapolis, MN; Fulton County and Atlanta, GA; Austin, TX; Oakland and Long Beach, CA; Shelby County, Memphis, and Chattanooga, TN; Memphis Light, Gas & Water, Providence, RI; the District of Columbia; Jackson, MS; Springfield, MA; Nassau and Erie Counties, NY; New Orleans, LA; Newark, East Orange, and Camden, NJ; South Jersey Port Corporation, Philadelphia Gas Works, and New Haven and Bridgeport, CT.

Metropolitan Police Department, Washington, D.C., 1997–1998. Chief Financial Officer. Took a half-year leave of absence from PFM to serve as acting, then full-time, Chief Financial Officer of the District of Columbia's Metropolitan Police Department during a period of crisis, launching initiatives to cut overtime, improve technology, privatize the fleet, tighten internal controls, realign staff, and produce a \$250 million operating and capital budget deemed to be a model for other agencies to follow.

Executive Office of the President of the United States, Office of Management and Budget, Washington, D.C., 1995–1997. Special Assistant to Controller, Office of Federal Financial Management. Co-authored *OMB Circular A–11, Part 3: Capital Programming Guide*, establishing parameters for Federal capital project planning and budgeting. Focused on the District of Columbia's financial recovery, including the Federal/District agreement to realign financial and service responsibilities and the District's access to capital markets. Also supported: integrated Federal financial information systems and uniform accounting standards, collaborating with department chief financial officers, per the Federal Financial Management Improvement Act, the CFO's Act, and Joint Financial Management Improvement Program; the integration of performance metrics and strategic planning with budgeting and accounting per the Government Performance and Results Act; and development of consolidated Federal financial statements under the Government Management Reform Act.

The World Bank, Washington, D.C., 1992–1995. Country Officer, Dominican Republic and Consultant. Following engagement as intern and then short-term consultant in 1992, engaged as long-term consultant to serve as Country Officer for the Dominican Republic to support the Country Assistance Strategy, co-lead the development of the Second Basic Education Development Project. Also advised Colombia and Bolivia on state and local government financial management.

Peace Corps, Sabana Grande, Honduras, 1989–1991. Volunteer. Led health initiatives with Social Welfare Department and worked with community leaders to develop the library Biblioteca Juan Angel Nunez Aguilar.

9. Attach a copy of your résumé. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.

Described Above.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Public Resources Advisory Group, Philadelphia, PA, 2009 to 9/30/09, *Senior Managing Director*.

Quehl Advisors/Parnassus Advisors, LLC, Philadelphia, PA, 2008–present, *President*.

Advisor to City of Camden, New Jersey, under supervision of New Jersey Treasury Department and sponsorship of the Brookings Institution.

Advisor for the Executive Director of the Fels Institute of Government, University of Pennsylvania.

Advisor to the Deputy Mayor for Public Safety and Managing Director, working in collaboration with the Office of the Commissioner, on Police Department overtime cost containment.

Mark's Good Apples, Bloomville, NY, 2008 to Present, *Owner*.

JPMorgan Securities, Inc., New York, NY, 2007–2008, *Managing Director, Head of Tax-Exempt Capital Markets Mid-Atlantic Group/Co-Head Infrastructure Advisory Group*.

Public Financial Management, Inc. ("PFM"), Philadelphia, PA, 1997–2008, *Managing Director*.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Philadelphia Racquet Club, 2008–present.
 St. Peter's Episcopal Church, 2006–present.
 Old First Reform Church, 2004–2005.
 National Court Tennis Association, 2008–present.
 Philadelphia Sports Club, 2002–2007.

To the best of my knowledge, none of these organizations restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period: None.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

In 1998, the Acting Chief of Police of the Metropolitan Police Department of the District of Columbia, Sonya Proctor, commemorated the quality and rigor of my leadership in the Department, during its transformation through a period of crisis.

In 1991, upon completion of my service as a United States Peace Corps Volunteer, the members of the community of Sabanagrande, Honduras who worked with me to develop the Biblioteca (Library) Juan Angel Nunez Aguilar awarded a certificate of merit for my service.

In 1991, the Fels Institute of Government of the University of Pennsylvania awarded to me a scholarship to pursue a Master's in Government Administration.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

Books, Articles, Columns, Publications

Co-authored *OMB Circular A-11, Part 3. Capital Programming Guide*, Executive Office of the President of the United States, Office of Management and Budget, 1997.

Co-authored "Capital Programming for Results: A Framework for Federal Government Agencies," *Government Finance Review*, February 1998.

Co-authored "The Federal Budget: Connecting Resources to Results," *Government Finance Review*, August 1996.

Co-Authored "Colombia: Toward Increased Efficiency and Equity in the Health Sector—Can Decentralization Help?" International Bank for Reconstruction and Development ("World Bank"), Report No. 11933-CO, March 1994.

Authored "The Bottom Line. . .and Beyond: Financial Plans Guided Philadelphia and New Haven Recovery", Brookings Review, Summer 2000.

Speeches

Metropolitan Governance Series, Credit Ratings of Cities. New Haven, CT: An Approach to Sustained Recovery, International Bank for Reconstruction and Development ("World Bank"), May 21, 2002.

Infrastructure and Capital Budgeting, Fels Institute of Government, University of Pennsylvania, Fall 2007.

Address on Lessons Learned to American Road and Transportation Builders Association, 20th Annual Public Private Ventures Transportation Conference, September 15, 2008.

Beyond the Bottom Line: Financial Planning and Local Government Financial Recovery, Government Finance Officers Association Annual Conference, June 2001.

Tools for Financial Managers in Promoting Public Safety, International City and County Manager's Association 92nd Annual Conference in San Antonio, June 2006.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony: Not Applicable.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I have worked with and for some of the country's most talented Federal and local government financial managers—financial managers who not only balance budgets, establish strong systems, produce transparent reporting, and strengthen internal controls, but also take a “broad shouldered” view of the role of chief financial officer in applying the levers of financial management and internal administrative efficiency to drive better program results. I have served Anthony Williams, as Chief Financial Officer, later Mayor, of the District of Columbia, and G. Edward DeSeve, Controller of the Office of Federal Financial Management and one-time Finance Director of the City of Philadelphia—two exceptional financial managers cut from this stamp, whose approach has shaped mine.

As Governor of the State of Washington, Secretary Locke led a successful results-based budget process to eliminate a projected \$2 billion projected deficit—about 10 percent of the State's biennial budget—by identifying efficiencies in program design and administration, and defining desired program results and prioritizing these programs within available resources. As performance expectations continue to rise, budgets tighten, and difficult decisions have to be made, I anticipate bringing to the Secretary's service both my experience at the U.S. Office of Management and Budget and expertise working with elected and appointed government officials in 14 states to meet their financial and management challenges, while a Managing Director at Public Financial Management, JPMorgan, and Public Resources Advisory Group. This experience includes tying operating and capital budgets to multi-year plans for management transformation and financial stability, the use of competitive contracting/privatization/public-private and public-public partnerships to contain costs, control risk, and improve service delivery, overtime and employee benefits cost containment, labor negotiations strategy, government revenue enhancement, use of information technology and procurement reform to improve productivity and/or enhance savings, credit rating enhancement strategy, and public safety efficiency improvements.

At the request of then-Chief Financial Officer, later Mayor, Anthony Williams, and in coordination with the District of Columbia's Financial Control Board, I served as Chief Financial Officer of the 4,500+ FTE District of Columbia's Metropolitan Police Department during a period of crisis, launching initiatives to cut overtime, tie technology improvements to operational improvement priorities and sound capital programming principals developed during my service with the Federal Government, privatize the fleet, tighten internal controls, realigning procurement and performance evaluation staff, strengthen recruiting for the Department's budget and financial management leadership functions, and produce a budget of about \$240 million, tied to the Department's mission and performance objectives, deemed by the District Government's Budget Director to be a model for other agencies to follow.

For nearly 10 years, 7 as a partner, at Public Financial Management, I led in the development of the Strategic Advisory practice from a team of 3 to 25 operating in 14 states, integrating this practice with over 50 partners in 26 offices in undertaking the Firm's recruiting, training, retention, performance evaluation, technology development, strategic and annual business planning, and competitiveness functions.

As a Managing Director and Co-Head of the Infrastructure Advisory Group at JPMorgan Securities, Inc. I served on the Tax-Exempt Capital Markets Operating Committee, led in development of knowledge management tools to strengthen global infrastructure advisory and finance operations.

At the World Bank, my first work out of graduate school, my role as Country Officer of the Dominican Republic included coordination with sector and Division managers and specialists on the formulation of the Country Assistance strategy, monitoring program implementation, and co-managing formulation of nation-wide education reform initiative, the Second Basic Education Project, working with the Country's Central Bank and Secretary of Education.

In each of these organizations, my management approach has been rooted in combing individual initiative, commitment to implementing best practices, open communication with leadership, colleagues, and staff, skill at building consensus and reaching within organizations and to outside partners to achieve results, and

insistence at performance—beginning with my own. I intend to continue this approach at the Department of Commerce.

Should I be confirmed, to serve in this position would be, for me, an honor of a lifetime—an opportunity to serve my country at a time of need, to apply all of my energy, my commitment, and my experience at government financial and management transformation to a Department with a pivotal mission and many strengths, of which more is, and will continue to be, asked and expected, whatever the budget climate. My family and I are thrilled that President Obama, Secretary Locke, and—if confirmed—the Congress would provide me with this remarkable chance to serve, to challenge myself, and catalyze others to join in doing the country's work through the Department of Commerce, with ever-greater effectiveness and efficiency.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

My responsibilities, if confirmed, are to ensure that the Department of Commerce has proper management and accounting controls to achieve these programmatic goals while also serving as advisor and problem solver for Secretary Locke, Deputy Secretary Hightower, and program Assistant Secretaries and Administrators—to overcome obstacles and achieve better programmatic outcomes, while ensuring the prudent and efficient use of taxpayer resources. Together, we will work to make the Department of Commerce a model department for effectiveness and innovation.

Every organization committed to excellence continuously reviews and seeks to improve how it manages its financial and human resources, the integrity of its controls, the transparency of its reporting—and the application of all of these to improve program performance. Should I be confirmed, I will serve as a catalyst for action in these areas, mobilizing resources within the Department and with partners across the Federal Government. I will bring respect for the Department's career staff, and constructively challenge them to provide their best ideas and energy for improvement. I will collaborate with colleagues on the Federal Chief Financial Officer's Council, other inter-departmental organizations, and work closely with the Office of Management and Budget, and the information technology procurement, human resource management, and performance management resources it provides.

If confirmed, I will closely review Auditor management letters and coordinate their recommended improvements. My experience in the Office of Federal Financial Management at OMB leads me to see the Office of the Inspector General and the GAO as sources of expertise to be consulted up-front, as financial control and administrative efficiency initiatives are being formulated—even as they maintain their arms-length objectivity. I will regularly communicate with the Inspector General and Government Accountability Office for their expertise and views, as well as Members and staff of this Committee.

As described in greater detail in response to Question A.18 above, I have served in management roles at several organizations throughout my career including as a Senior Managing Director at the Public Resources Advisory Group, Managing Director at JPMorgan Securities, Managing Director at PMF, Inc, and CFO of the Metropolitan Police Department in Washington, DC.

20. What do you believe to be the top three challenges facing the department/agency, and why?

The President's management agenda, as set forth the President's FY2010 Budget, is consistent with my understanding of the top financial and operational challenges facing the Department of Commerce. Three such challenges are:

- Integrating strategic planning, budgeting, and accounting to connect the Department's resources to clear results, and aligning the Department's resources accordingly—applying performance metrics, analysis, and program prioritization to identify which programs can be sustained, which merit increased investment, and which should be reduced, consolidated, reinvented, or eliminated.

The objectives of the Department's 14 Agencies are wide-ranging. As demands grow and the Administration's commitment to moving toward a balanced budget makes resources increasingly dear, we can expect redoubled emphasis upon defining what success looks like, how results can be achieved most efficiently, and which programs take greatest priority—within the vision of the President and the Secretary for results to be achieved and resources to be allocated.

- Breaking down programmatic/management silos, such that Federal programs among various Departments with similar programmatic goals and intended impacts in the same geographical area can be efficiently coordinated, in Washington, among Federal regional offices, and with state and local government, industry association, and other partners. For example, the Economic Development Administration of the Department of Commerce, the Department of Housing

and Urban Development, and the Department of Education may each have programs intended to promote economic opportunity and well-being in a certain geographic area—planning, implementation, monitoring, and accounting of these programs between Federal Departments and with government, business, and non-profit partners should take best advantage of the respective strengths of each organization, not present barriers that absorb scarce resources, muddy transparency, and diminish impact on the ground. The inter-departmental CFO's Council will provide an excellent platform for developing such coordination efforts, as will close coordination with the Office of Management & Budget, while constructive interaction with the Inspector General and others will maintain, and strengthen, financial integrity.

- Workforce projections show that over half of the Federal workforce will be eligible to retire over the next 8 years. This presents a remarkable management challenge, as well as an opportunity. The Department will have to reconsider how it recruits, trains, motivates, and promotes the productivity of its most important resource—its people. With budgets constrained and performance expectations high, Human Capital management will have to reach beyond simply seeking more efficient ways of doing the same things as before—instead seeing the challenge as an opportunity for transformation—tying human resource goals to fundamental improvements in how it applies information technology, how it procures services and goods, and how it configures its organization, in light of program goals.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

The Federal Government's TSP continues to manage my 401K mutual fund associated with my service from 1995 through 1997, as well as, I believe, those of my spouse from her Federal service. My 2008 contributions to my 401K account continue to be managed by JPMorgan. In 2008, I transferred 401K mutual fund accounts accumulated from 1997 through 2007 during service with Public Financial Management, Inc. to management within a consolidated Vanguard tax-deferred account, allocating among a set of equity and bond mutual funds to meet diversity objectives.

Vested in my name are JPMorgan shares; I will be eligible to liquidate up to approximately \$[xxx] of these shares on January 25, 2010, and approximately \$[xxx] on January 25, 2011. These shares were determined as part of my Employment Agreement with JPMorgan upon joining the firm in 2007, and were vested as part of my separation agreement with the firm in 2008.

My spouse and I jointly own and manage a farm doing business as Mark's Good Apples. The business is not an independent legal entity and I do not hold a formal position. In accordance with the terms of the ethics agreement that I have entered into with the Department of Commerce's designated agency ethics official, I will continue to have a financial interest in the business, but, upon appointment, I will not manage it or provide services to it that are a material factor in the production of earned income. My spouse will manage the business with assistance, if necessary, by hiring local farmers, other contractors and/or employees. I will receive only passive investment income from the business.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain: No.

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

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department of Commerce's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. 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.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department of Commerce's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been 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.

I have taken no actions to influence legislation. As described in response to questions A.8 and A.19 above, I have consulted on behalf of various state and local government entities on matters related to financial management.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department of Commerce's designated agency ethics official and that has been provided to this Committee.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain: No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

Yes. On September 8, 2004, I brought a small claims suit in the Delhi Village Court of Delhi, NY against a contractor to reimburse me for advance payments I made associated with the contractor's work on my farmhouse windows, which I considered to be shoddy and incomplete. On September 21, 2004, the Judge ordered the contractor to repay to me approximately \$1,600, and the matter was closed.

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, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

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

I am aware of no such information.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

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Professional Experience

2009—*Public Resources Advisory Group, Philadelphia, PA. Senior Managing Director.* Leading Strategic Advisory Group, with budget, management, infrastructure, and debt advisory services to governments.

2007–2008—*JPMorgan Securities, Inc., New York, NY. Managing Director, Head of Tax-Exempt Capital Markets Mid-Atlantic Group/Co-Head Infrastructure Advisory Group.* Mobilized JPMorgan business units to expand government investment banking services in Mid-Atlantic, including the District of Columbia's 2008 conver-

sion and remarketing of \$185 million Variable Rate Demand Bonds. Co-Head of Infrastructure Advisory Group, with focus on public-private partnerships and knowledge management system development. Member of JPMorgan's Tax Exempt Capital Markets Operating Committee.

1997–2007—*Public Financial Management, Inc. ("PFM"), Philadelphia, PA. Managing Director.* Led in emergence of PFM's Strategic Consulting Group, connecting city and county policy priorities to financial strategy and improved budgeting, labor relations/personnel management, privatization, procurement, technology, revenue enhancement, cost containment, organizational restructuring, service delivery, performance metrics, credit ratings, and/or debt management in 14 states. Advisor to the District of Columbia; Metro Louisville, KY; Minneapolis, MN; Fulton County, GA; Austin, TX; Oakland and Long Beach, CA; Memphis and Shelby County, TN; Providence, RI; Jackson, MS; Nassau County, NY; New Orleans, LA; Newark, East Orange, and Camden, NJ; and New Haven, CT.

1997–1998—*Metropolitan Police Department, Washington, DC. Chief Financial Officer.* Took a half-year leave of absence from PFM to serve as acting, then full-time, Chief Financial Officer of the District of Columbia's Metropolitan Police Department during a period of crisis, launching initiatives to cut overtime, improve technology, privatize the fleet, tighten internal controls, realign staff, and produce a \$250 million operating and capital budget deemed to be a model for other agencies to follow.

1995–1997—*Executive Office of the President of the United States, Office of Management and Budget, Washington, D.C. Special Assistant to Controller, Office of Federal Financial Management.* Co-authored *OMB Circular A–11, Part 3: Capital Programming Guide*, establishing parameters for Federal capital project planning and budgeting. Focused on the District of Columbia's financial recovery, including the Federal/District agreement to realign financial and service responsibilities and the District's access to capital markets. Also supported: integrated Federal financial information systems and uniform accounting standards, collaborating with department chief financial officers, per the Federal Financial Management Improvement Act, the CFO's Act, and Joint Financial Management Improvement Program; the integration of performance metrics and strategic planning with budgeting and accounting per the Government Performance and Results Act; and development of consolidated Federal financial statements under the Government Management Reform Act.

1993–1995—*The World Bank, Washington, D.C. Country Officer, Dominican Republic and Consultant.* Executed Country Assistance Strategy; advisor to Colombia and Bolivia on government financial management.

1989–1991—*Peace Corps, Sabana Grande, Honduras. Volunteer.* Led health initiatives. Developed a library.

Education and Licenses

1993—University of Pennsylvania, Philadelphia, PA. Master of Government Administration.

1988—Lawrence University, Appleton, WI. Bachelor of Arts in Political Science and History.

2008—FINRA NASD Series 24, 63, 7.

References

Dan Tangherlini, Assistant Secretary for Management, Chief Financial Officer and Chief Performance Officer, U.S. Department of the Treasury, Obama Administration, Former Chief Administrative Officer of the District of Columbia.

G. Edward DeSeve, Senior Advisor to the President for Recovery and Reinvestment, Obama Administration, Former Controller and Acting Deputy Director for Management, Office of Management and Budget.

Michael Fitzpatrick, Associate Administrator, Office of Information and Regulatory Policy, Office of Management and Budget, Executive Office of the President, Obama Administration.

John A. Koskinen, Chairman of the Board/Director, Freddie Mac, Former Deputy Director for Management, Office of Management & Budget, Executive Office of the President.

Jane Garvey, Former Administrator, Federal Aviation Administration and Deputy Administrator, Federal Highway Administration, U.S. Department of Transportation, Executive Director, JPMorgan Securities, Inc.

Anthony Williams, Former Mayor and Chief Financial Officer of the District of Columbia, Former Chief Financial Officer, U.S. Department of Agriculture.

Jerry Abramson, Mayor, Metropolitan Government of Louisville-Jefferson County, Kentucky.

John DeStefano, Mayor, City of New Haven, Connecticut.

David Cicilini, Mayor, City of Providence, Rhode Island.

Dr. Camille Cates-Barnett, Managing Director of the City of Philadelphia, Pennsylvania, Former City Manager of Austin, Texas and Chief Financial Officer of Houston, Texas.

Dr. Carol O'Cleireacain, Former Finance Director and Budget Commissioner, City of New York, Deputy Treasurer of New Jersey under Governor Jon Corzine, Visiting Senior Fellow, Brookings Institution.

Maria Cino, President and CEO, Republican National Convention, 2008.

Gene Saffold, Chief Financial Officer, City of Chicago, Illinois, Former Managing Director and Head of Public Finance Investment Banking, JPMorgan Securities, Inc.

Larry Hayes, Secretary of the Cabinet, Office of the Governor of Kentucky, Former Managing Director/Chief Financial Officer, Metropolitan Louisville-Jefferson County, Kentucky.

Ned Regan, Former Comptroller, State of New York.

Jim Huntzicker, Chief Administrative Officer and Chief Financial Officer, Shelby County, Tennessee.

Charles Ramsey, Police Commissioner, City of Philadelphia, Former Chief of Police, District of Columbia.

Robert O'Neill, Executive Director, International City/County Management Association, Washington, D.C.

Laura Doud, City Auditor, City of Long Beach, California.

Rudy Garza, Assistant Director of Finance, City of Austin, Texas.

Art Gianelli, Chief Financial Officer, Nassau County Healthcare Corporation, Former Deputy County Executive and Director of Finance for County Executive Thomas Suozzi, Nassau County, New York.

Michelle O'Brien, Senior Director, Fitch Ratings, Chicago, Illinois.

Eric Rockhold, Managing Director, JPMorgan Securities, Inc., Chicago, Illinois.

Janice Mazyck, Managing Director, The PFM Group, Los Angeles, California.

The CHAIRMAN. Thank you, Mr. Quehl.

Actually, my mind wandered just for a moment as you were giving your opening statement because I was thinking what Mark would have done to you had you not introduced him. I mean, you would have been in quarters on the Senate Commerce Committee floor.

Mr. QUEHL. Senator, for the rest of my life, I will remain grateful.

[Laughter.]

The CHAIRMAN. All right. And whole.

Mr. Kumar, we welcome your statement, sir.

**STATEMENT OF SURESH KUMAR, ASSISTANT SECRETARY-
DESIGNATE FOR TRADE PROMOTION AND DIRECTOR
GENERAL, U.S. AND FOREIGN COMMERCIAL SERVICE, U.S.
DEPARTMENT OF COMMERCE**

Mr. KUMAR. Thank you, Chairman.

Thank you, Chairman Rockefeller, Ranking Member Hutchison, and distinguished members of the Committee.

I am honored and humbled to come before you today as President Obama's nominee to be the Assistant Secretary of Commerce for Trade Promotion and Director General of the United States Foreign Commercial Service. I want to thank President Obama for the

enormous trust he has placed in me with this nomination and Secretary Locke for his support.

Last week, I had the pleasure of meeting members of this committee and your staff. Thank you for your hospitality. If I am confirmed by this Committee and your colleagues in the Senate, I look forward to continuing this dialogue and working closely with you. I am also grateful to Senator Lautenberg from my home State of New Jersey for his gracious introduction.

Let me take this opportunity to introduce to you members of my family who have joined me today—my wife, Sheila; my daughter, Pooja; and my son, Aditya.

Sheila, my college sweetheart, has provided me her unshrinking support through a global journey that has spanned three decades and five countries. She is amazing. Not only is she a distinguished business executive in her own right, but she also managed the time to raise our two wonderful children.

Our daughter, Pooja, is a physician who is pursuing her passion for public health. She has served the underprivileged in the remote corners of the world, from working with displaced people from Azerbaijan to East Timor and vulnerable children from the streets of Calcutta to the Congo.

Our son, Aditya, has been a management consultant who has also worked with the homeless in America, as well as victims of child labor in Asia. He now has the distinct privilege of serving in the White House.

I would also be remiss if I did not mention my parents, Colonel Sundaram and Vasantha, who instilled in our family the importance of public service. Although they cannot be present here today, they are watching these proceedings from their home in Delhi.

As I prepared these remarks, I could not help but reflect on the incredible journey from Mumbai, India, that brought me to the U.S. 16 years ago. I appear before you as a first-generation immigrant and a testimony to our great country. If confirmed, you will have given me the opportunity to pay back a small measure of the debt to a country that has already given me and my family so much.

In my 30 years in the international business community, I have seen firsthand the immense possibilities, potential, and prosperity that follow global trade. In the last several years, as an international development consultant, I have worked with civil society and nonprofit organizations to improve lives and livelihoods and support small and medium enterprises in establishing sustainable and scalable businesses.

I have worked for multinationals and local companies across six countries, culminating in my position as the head of Worldwide Consumer Pharmaceuticals for Johnson and Johnson. Through my work, I have seen the tremendous opportunities for U.S. businesses to more fully engage in Asia, Africa, and Latin America.

The value and values of free and fair trade are embedded in my DNA. I pledge to help the American enterprises enhance their competitiveness and grow their global footprint, to increase U.S. exports and help create jobs, and to protect our interests, patents, and intellectual property that are so critical to encourage innovation and support technological advancement, specifically in emerging technologies like the environment, energy, and healthcare sec-

tors. These are the priorities that have been articulated by Secretary Locke for the Department of Commerce, and I am humbled by the opportunity to work daily to advance them.

International trade has always been a proven path to global prosperity. The current economic climate makes it even more compelling to prioritize and pursue this course. With 95 percent of the world's consumers living beyond our borders, we must encourage, nurture, and support U.S. companies, especially small and medium businesses, to export goods and services into foreign markets to supplement the decline in domestic consumption.

These are challenges, but they also present tremendous opportunities. That is why I am so excited by the prospect of leading the U.S. Commercial Service at this pivotal point in time.

If confirmed, I will work closely with this Committee and your colleagues in Congress to expand U.S. exports and advance commercial interests abroad, to forge new economic ties for America overseas, and to ensure that America maintains its leadership in the global economy while advancing U.S. national security interests through a renewed focus on commercial diplomacy.

Mr. Chairman, I thank you for your consideration of my nomination and for the opportunity to address any questions that you and your colleagues may have.

Thank you.

[The prepared statement and biographical information of Mr. Kumar follows:]

PREPARED STATEMENT OF SURESH KUMAR, ASSISTANT SECRETARY-DESIGNATE FOR TRADE PROMOTION AND DIRECTOR GENERAL, U.S. AND FOREIGN COMMERCIAL SERVICE, U.S. DEPARTMENT OF COMMERCE

Chairman Rockefeller, Ranking Member Hutchison, and distinguished members of the Committee, I am honored and humbled to come before you today as President Obama's nominee to be Assistant Secretary of Commerce for Trade Promotion and Director General of the U.S. and Foreign Commercial Service. I want to thank President Obama for the enormous trust he has placed in me with this nomination and Secretary Locke for his support.

Over the last week, I had the pleasure of meeting members of this committee and your staff. Thank you for your hospitality and generosity in taking the time to share your insights and perspectives on the economic landscapes of your home states. If I am confirmed by this committee and your colleagues in the Senate, I look forward to continuing this dialogue and working closely with you and your staffs.

I am particularly grateful to Senator Lautenberg from my home state of New Jersey for his gracious introduction here today.

Let me also take this opportunity to introduce you to the members of my family that have joined me here today—my wife Sheila, my daughter Pooja, and my son Aditya.

Sheila, my college sweetheart, has provided me her unshrinking support through a global journey that has spanned three decades and five countries. Sheila is amazing—not only is she a distinguished business executive in her own right, but she also managed to raise our two wonderful children.

Our daughter, Pooja, is a physician who is pursuing her passion for public health. She has served the underprivileged in the remote corners of the world—from working with displaced people from Azerbaijan to East Timor, and vulnerable children from the streets of Kolkata to the Congo.

Our son, Aditya, has been a management consultant who has also worked with the homeless in America, as well as victims of child labor in Asia. He now has the distinct privilege of serving in the White House.

I would also be remiss if I did not mention my parents—Colonel Sundaram and Vasantha—who instilled in our entire family the importance of public service. Although they cannot be present here today, thanks to technological advancement that makes the world a global village, broadband and bandwidth permitting, they are watching these proceedings via webcast from their home in Delhi.

As I prepared these remarks, I could not help but reflect on the incredible journey from Mumbai India, via Indonesia, Singapore and Canada that brought me to the USA 16 years ago. I appear before you as a first generation immigrant and a testimony to our great country. It has provided me and my family the opportunities most could have only dreamed about. If I am confirmed for this position, you will have given me the opportunity to repay a small measure of the debt to a country that has already given me and my family so much.

In the thirty years that I have been actively engaged in the international business community, I have seen firsthand the immense possibilities, potential, and prosperity that follow global trade. I know that “borders frequented by free and fair trade seldom need soldiers.” In the last several years as an international development consultant, I have worked with civil society and nonprofit organizations to improve lives and livelihoods and support small and medium enterprises in establishing sustainable and scalable businesses. I have worked for multinational and local companies across six countries, culminating in my position as the head of Worldwide Consumer Pharmaceuticals for Johnson and Johnson. Through my work in emerging economies, both as a businessman and as a development consultant, I have seen the tremendous opportunities for U.S. businesses to more fully engage in Asia, Africa, and Latin America.

The value *and* values of free and fair trade are embedded in my DNA. I have a deep appreciation for the unique challenges that face U.S. businesses seeking to expand overseas. If I am confirmed, I pledge to help American enterprise enhance its competitiveness and grow its global footprint; to increase U.S. exports and help create jobs; and to protect our interests, patents and intellectual property that are so critical to encourage innovation and support technological advancements particularly in emerging technologies in the environment, energy and healthcare sectors. These are the priorities that have been articulated by Secretary Locke for the Department of Commerce, and I am humbled by the opportunity to work daily to advance them.

I will leverage my experience and passion in international business to maximize the efforts of the U.S. Commercial Service in increasing the global competitiveness of the American business community, with a particular focus on small and medium enterprises. I will work tirelessly with the wonderful trade professionals throughout the extensive global network of U.S. Export Assistance Centers in over 100 U.S. cities and in U.S. embassies and consulates across 77 countries to increase U.S. exports, and by doing so, to create good American jobs.

International trade has always been a proven path to global prosperity. The current economic climate makes it even more compelling to prioritize and pursue this course. With 95 percent of the world’s consumers living beyond our borders, we must encourage, nurture and support U.S. companies, particularly small and medium businesses, to export goods and services into foreign markets to supplement the decline in domestic consumption. We must grow our exports to stimulate the economy, create and maintain American jobs and to help reduce our trade deficit. These are challenges, but they also present tremendous opportunities—that is why I am so excited by the prospect of leading the U.S. Commercial Service at this pivotal moment in time.

If I am confirmed, I will work closely with this Committee and your colleagues in Congress to expand U.S. exports and advance U.S. commercial interests abroad, to forge new economic ties for America overseas, and to ensure that America maintains its leadership in the global economy while advancing U.S. national security interests through a renewed focus on commercial diplomacy.

Mr. Chairman, I thank you for your consideration of my nomination and for the opportunity to address any questions that you and your colleagues might have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Suresh Kumar.
2. Position to which nominated: Assistant Secretary for Trade Promotion and Director General of the U.S. and Foreign Commercial Service.
3. Date of Nomination: October 29, 2009.
4. Address (List current place of residence and office addresses):
Residence: Information not released to the public.
5. Date and Place of Birth: February 18, 1955; Secunderabad, India.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Sheila Kumar (spouse), Vice President—Market Research, Johnson & Johnson; children: Pooja Kumar, daughter, 29 years; Aditya Kumar, son, 27 years.

7. List all college and graduate degrees. Provide year and school attended.

Institution	Dates Attended	Degree Received	Date of Degree
University of Bombay, JB IMS	8/1974–5/1976	Master of Management Studies (MBA)	3/1976
University of Delhi	8/1971–3/1974	B.A. (Honors) Economics	3/1975
St. Columba's High School, New Delhi	1/1960–12/1970	Indian School Certificate (ISC)	4/1971

8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Title	Employer	Location of Work	Dates of Employment
President and CEO	KaiZen Innovation LLC 250 Bouvant Drive Princeton, NJ 08540	250 Bouvant Drive Princeton, NJ 08540	Oct 2007–Present Jan 2005–Feb 2006 Nov 2003–Sep 2004
Special Advisor	Clinton Foundation 55 West 125th Street New York, NY 10027	250 Bouvant Drive Princeton, NJ 08540	Mar 2006–Sep 2007
Distinguished Executive in Residence	Thunderbird School of Global Management 15249 North 59th Avenue Glendale, AZ 85306–6000	15249 North 59th Avenue Glendale, AZ 85306–6000	Oct 2004–Dec 2004
International Vice President	Johnson & Johnson Ltd. One J&J Plaza New Brunswick, NJ 08933	7050 Camp Hill Rd. Fort Washington, PA 19034	Mar 1999–July 2003
Vice President	Warner Lambert 201 Tabor Rd Morris Plains, NJ 07950	201 Tabor Rd Morris Plains, NJ 07950 Scarborough, ONT M1L 2N3, Canada	Aug 1993–Mar 1999 Sep 1989–July 1993
Marketing Director	Bata Shoes	Jakarta, Indonesia	Feb 1987–Aug 1989
Divisional Manager	Levis Strauss International	Jakarta, Indonesia	Sept 1985–Dec 1986
Sales and Marketing Manager	Unilever/Lipton	Calcutta and Madras, India	June 1984–Sept 1985
General Sales Manager	Balsara Hygiene Products	Bombay, India	Apr 1982–Feb 1984
Senior Product Manager	Johnson & Johnson, India	Bombay, India	Apr 1978–Apr 1982
Product Executive	Colgate Palmolive, India	Bombay, India	Mar 1977–Mar 1978

9. Attach a copy of your résumé. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years: None; N/A.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Organization	Office Held	Dates
Thunderbird, School of Global Management	Member of the Global Council	Nov 2001–Present
Dalberg Global Development Advisors	Member Expert Advisory Council	Jan 2009–Present
American Management Association	Member of the Global Council	April 1999–July 2003
Consumer Health Products Association	Member	April 1999–July 2003
Association of National Advertisers	Member of the Global Council	April 2000–July 2003
World Self Medication Industry	Member of the Board	Jan 2000–July 2003
African Development Bank	Consultant	Jul 2008–Mar 2009
Alliance for a Green Revolution in Africa (AGRA)	Consultant	Jul 2008–Oct 2008
Bill and Melinda Gates Foundation	Consultant	Feb 2008–Jun 2008
Aerogrow International	Director	Jul 2008–July 2009
Biosign Technologies	Director	July 2006–May 2007
Sirit Technologies	Director	Apr 2005–Apr 2007

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Organization	Office Held	Dates
Thunderbird, School of Global Management Bombay Gymkhana Club	Member of the Global Council Absentee Member	Nov 2001–Present 1978–Present

Neither organization restricts membership on any of the above basis.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No; N/A.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period: None.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Named Distinguished Executive in Residence by Thunderbird School of Global Management, 2004.

Recipient of Rotary International Educational Award for International Understanding, 1982–83.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

“Right Pricing” for Growth: How to leverage consumer insights to make the economy work for you (Kaizen Innovation website, May 2009).

New Development Approaches from International Foundations (Presentations at Africa Green Revolution Summit in Oslo, September 2006 and Donor Platform Meeting in Washington D.C., December 2006).

Wellness in the OTC World: Where are the Googles and Yahoos Lurking? (OTC Insights, February 2006).

Rx for Changing Healthcare (OTC Insights, July 2005).

Foreword: Strategic Roadmap for the Emerging Markets (Nicholas Hall Publication, December 2003).

The Intrigues and Challenges of Global Advertising (The Advertiser, June 2003).

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony: None.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I have committed almost my entire professional career to building global businesses and promoting international trade. I did this as an executive for global corporations and as consultant for leading nonprofit organizations in their economic development efforts to help build small and medium-sized enterprises. I have lived and worked in multiple countries and led business initiatives across all continents. I have taught global management and marketing at leading business schools—including Thunderbird School of Global Management, Schulich School of Business at York University, and Mumbai University.

My global business building efforts and accomplishments were recognized by the leading graduate school for international business, Thunderbird School of Global Management, which named me a Distinguished Executive in Residence.

I have built diverse, high-performance teams in decentralized organizations and developed and communicated compelling vision and strategy to inspire collaboration. My background as a global executive, consultant and management professor allows me to influence business and institutional leaders and counsel and coach businesses and teams. It allows me to be a catalyst to drive export promotion, commerce and prosperity.

If confirmed, I wish to leverage my skills to build global collaboration and partnerships that help U.S. businesses increase their international presence, improve

competitiveness, revenues, profit and market share, and create employment opportunities. This has always been important; the current economic environment makes it even more critical.

I believe I have the education, experience, passion and commitment to drive international trade initiatives and the ability to listen to, influence and inspire diverse stakeholders across nationalities and cultures.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

To ensure smooth functioning of the agency and to make the impact we all desire, I believe my responsibilities, if confirmed, will be to:

1. Institute an inclusive process that is efficient and effective and leads to achievement of goals that are quantifiable, measurable and achievable. This will require instituting regular metric based reporting of progress.
2. Train people in the organization to equip them with requisite skills and understanding.
3. Empower, motivate and hold the team responsible for results.

I have managed large global organizations for some of the largest U.S. corporations. I have provided leadership, articulated inspiring vision and strategy, motivated a large and dispersed group of employees, established process and controls and instituted ongoing metric-based reporting to track performance and trends. I have also managed multi-functional organizations which included financial staff reporting to me.

20. What do you believe to be the top three challenges facing the department/agency, and why?

I believe the top three challenges are:

1. Opening up more markets for American exports and creating employment opportunities.
2. Influencing inter agency collaboration to shape trade policy.
3. Deliver consistent, high-quality support and customer-driven service to American businesses.

These are important challenges to address in normal times. They are critical in the current economic climate. I believe we need to do everything to support American companies to access more markets, create employment and improve our global competitiveness.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I have no financial arrangement or continued dealings with business associates, clients and customers. I have the following retirement accounts:

- 401(k) at Johnson & Johnson.
- Pension/ retirement plans at Johnson & Johnson and Warner Lambert Company which has since been acquired by Pfizer Inc.
- Retirement Savings Plan in Canada which were opened when I was employed at Warner Lambert Canada.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain.

I am the President and CEO of KaiZen Innovation LLC. In accordance with the ethics agreement I entered with the Department of Commerce's designated ethics official, if confirmed, I will resign from my position and I will become a nonmanaging member. During my appointment, I will not manage this entity or provide any other services to it, and I receive only passive income from KaiZen.

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

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered

into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. 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.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been 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: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain: No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

Yes—Johnson and Johnson and Warner-Lambert were parties to litigation while I was an officer in those organizations. However, I was not a party to any litigation and none of them involved any allegations of wrongdoing on my part.

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, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

RESUME OF SURESH KUMAR

Proven leader with expertise in developing new business models, establishing collaborations, extending business footprint and leading turnarounds to develop robust, profitable businesses. Delivered superior results to build brands, multi location businesses and organizations by inspiring teamwork and deploying insights gained through consumer engagement. Hands-on change agent, tailored regional solutions,

global products and programs to increase consumer access. Successfully conveyed global business practices to create sustainable social development platforms and programs. Achievements include:

- Developing team and talent to take on leadership roles—entrepreneurs, general managers, and VPs of Marketing and Sales.
- Turning around emerging markets into a rapidly growing, profitable business at J&J.
- Building and commercializing pipeline to deliver global market leadership for Warner Lambert's Oral Health business.
- Creating award winning global marketing and customer centric programs, and leveraging knowledge sharing practices.
- Establishing unique public-private partnerships, supply chains and private enterprise to deliver affordable fertilizers, reduce food insecurity and improve lives and livelihoods in Africa.

Experience and Accomplishments

KaiZen Innovation® LLC, Jan 2004 onwards—President and Managing Partner—Global management consulting

Select Consulting Assignments, 2008; 2004–2005

Advised The Bill and Melinda Gates Foundation, the Alliance for a Green Revolution in Africa (AGRA) and the African Development Bank in developing multi country collaborations, public private partnerships and new business models to make affordable fertilizers available and accessible to small holder farmers in Africa.

As Distinguished Executive in Residence at Thunderbird, School of Global Management, surfaced best practices, influenced creating Center of Excellence and developing new programs to drive Global Thought Leadership.

Helped European consumer healthcare client enhance business valuation to ten times EBITDA. Influenced product and program development, built team to launch new products and extend leadership positions in competitive categories.

Assisted Discovery Communication to develop service offering and business model for Discovery Health.

Special Advisor Clinton Foundation, 2006 and 2007.

Spearhead initiatives to promote economic development and improve lives and livelihoods. Embedded commercial orientation to and best practices into economic and social development initiatives. Developed comprehensive programs to secure commercial and development financing, procure affordable inputs and establish market linkages. Inspired collaboration and execution: led McKinsey, Bain, governments and private sector teams to develop business models, strategy and programs that resulted in:

Improved food security: over 90 percent of population consumed more than the threshold 2300 calories per day.

First large scale use of fertilizer in Rwanda: stewarded procurement program to secure fertilizer 28 percent below prevailing market price in 2006 and 30 percent below in 2007 resulting in 390 percent small holder farmer return on input investment. Maize output increased 61 percent by intensifying production on 5 percent of cultivated area; cash crop-tea and coffee-outputs increased more. National agriculture output increased 19 percent in 2008.

Repayment of soft loan before term, embedding funding program in Rwanda's agriculture strategy and initiating targeted coupon based smart subsidy with sunset plan. Transitioned distribution from government to private sector.

Established sustainable practices: developed people, protocols, partnerships and infrastructure to lower inputs costs, influenced bridge financing mechanism to create a sustainable revolving fund, secured co-operation between Rwanda and Tanzanian governments, and local governments and private enterprises.

Results of Rwanda interventions led to invitation from Kenya and Tanzania governments to establish procurement approaches and collaborations to improve farmer well being through viable commercial practices.

Johnson & Johnson Ltd, 1999 to 2003—Head of Worldwide Consumer Pharmaceuticals, International Vice President.

Served on the Group Operating Committee with responsibility for \$580 million consumer medicines business P&L in Asia, Latin America and Europe, and the Global Franchise Organization; additionally influenced \$500MM global business. Main brands included Tylenol, Motrin, and Imodium. Reported to the Worldwide Chairman; affiliate Presidents and Global Marketing Leaders reported to me. Led multi-functional organization of 1100 employees. Created worldwide presence and turned around business experiencing declining sales and profit.

Financial Results: Delivered double digit revenue growth and \$70MM profit; turned around loss making businesses in Japan and China, crafted business model in Central and Eastern Europe to deliver seven fold growth and robust profit.

Operating Efficiency: Improved ROAM and margin by 7 percent through sourcing and contract manufacturing initiatives.

Developed sustainable sourcing strategy, reduced currency risk and improved profits in Latin America.

Secured business license for expanded portfolio and inspired cross business regional collaboration.

Restructure and Process Redesign: Restructured JV arrangements, redesigned and developed e-enabled global franchise processes to deliver superior market support, reduce SG&A by 35 percent, and HQ headcount by 65 percent.

Voice of Customer: Built trust and affinity among consumers, customers, and healthcare professionals that resulted in

Customers rating Tylenol best launch in Japan; Consumers rated brand best in class on trust and safety.

Emerging Markets Dominance: 83 percent share in Brazil; #1 in pediatric and “doctor recommended” in China.

Product Innovation: Developed and executed innovation pipeline. Established pediatric business with full range of products, launched the first non-acetaminophen Tylenol product, and extended franchise into Cough drops. Actions led to balanced portfolio, reduced seasonal vulnerability, and enhanced manufacturing efficiencies.

Pipeline Development: Set up partnership with Hong Kong University to develop clinical protocol for Traditional Chinese Medicine (TCM) projected to yield 25 percent of future revenue stream in China.

Globalization: Rolled out “ready to treat” Imodium program resulting in 20 percent revenue growth.

People and Talent: Pioneered annual “OTC University” and web based training to develop and deploy efficient and energized global organization. Realized measurable improvement in skill level and talent development, high potential employee retention, internal staffing of critical positions, and reduced “regrettable losses” in high attrition markets.

External Collaborations: Successfully established and leveraged win-win government collaborations.

China: trained healthcare professionals- doctors, hospital and purchase managers to build category protocols and affinity for the company’s products and programs. Result 20 percent+ annual revenue growth.

Brazil and Venezuela: partnered with governments to combat dengue epidemic. Changed prescribing protocol from dipyrone (competition) to acetaminophen and ibuprofen. Result: double digit profit growth.

Japan: Secured Ministry of Health approval for the first differentiated OTC label claim in Japan.

Warner Lambert Company, 1989 to 1999—Vice President, Consumer Products, Latin America/Asia: June 1995–March 1999.

Led \$800 million Adams Confectionery, Schick Grooming and Consumer Healthcare businesses across Latin America and Asia. Brands included Halls, Chiclets, Trident, Schick, Listerine, Lubriderm and Benadryl. The business had 7 manufacturing plants, and multiple distribution centers. Coalesced a multi country business to a regional one, rationalized brands and facilities, and installed a shared service organization to free resources that were invested into building the business.

Business Results

Confectionery Business: Grew sales 70 percent to \$440MM; 75 percent+ market share in Latin America, 20 percent+ in Asia.

Healthcare Business: Increased revenues 54 percent to \$215MM; achieved 85 percent markets share for core oral care category.

Shaving and Grooming Business: Improved sales 32 percent to \$145MM; enhanced presence in core markets.

Initiatives

Established confectionery business in China and India; commenced local manufacturing.

Initiated regional advertising to strengthen brand equities and orchestrate multi country product launches.

Deployed regional manufacturing and pricing strategies to eliminate arbitrage loss, allowing capital investment.

Established knowledge transfer protocols to free up funds for investment and spur rapid commercialization.

Forged alliances with Colgate Palmolive and Eveready resulting in major distribution gains across Latin America:

80 percent ACV distribution for confectionery, 93 percent for OTC, and 65 percent for shaving products.

Created shared service regional organization to reduce SG&A from 24 percent to 18 percent.

Reduced SKUs by a third to improve confectionery margins from 46 percent to 51 percent, divested non-strategic assets to drive healthcare margin from 68 percent to 71 percent, and revamped shaving portfolio to improve margin to 65 percent.

Marketing Director, Consumer Healthcare, North America/Europe/Japan/Australia: Sept 1993–June 1995.

Led strategic market development for \$1.8 Billion consumer healthcare business. Leveraged line management credibility to influence global collaboration, lead regional business teams, and accelerate geographic expansion. Supported operating companies, established best practice, developed category strategies, cluster market plans, and core brand programs.

Championed launch of Listerine in Germany and France, switched Oraldene in Spain, introduced alcohol free Listermint in North America, and globally rolled out flavor line to deliver 60 percent+ global share and 35 percent revenue growth.

Initiated technology licensing and preliminary marketing work on Listerine Pocket Packs-voted most innovative product of the year, with launch year sales of \$200MM+.

Assisted rapid integration and rollout of Glaxo and Burroughs Wellcome alliances. Revamped respiratory portfolio (Benadryl, Sudafed, Actifed), and launched OTC Beconase in UK. Realized global category leadership.

Category Manager, Oral Care Products, Warner Lambert Canada: October 1989–August 1993.

Achieved record sales, share and profit results while being responsible for the Oral Care business unit P&L.

Inherited business 6 percent share behind Procter & Gamble and left it 4 share points ahead; increased gross margin by 9 percent.

Reinvigorated Oral Care: Launched Listerine Cool Mint, introduced “consumer winning” packaging, Effie award winning campaign. Unique Quebec thrust increased market share from 6 percent to 15 percent within 18 months. Secured Canadian Dental Association (CDA) approval for brand.

Launched Alcohol Free Listermint: Idea to shelf in 9 months; Neutralized store brands and regulatory challenges.

Co-branded Efferdent with Arm & Hammer; differentiated brand through proprietary Listerine ingredient extensions.

Bata Shoes, Indonesia / Singapore, 1987–September 1989: Marketing Director.

Responsible for marketing, merchandising, dealer and retail operations P&L. Expanded retail presence to 1,600 stores.

Levi-Strauss International, Indonesia, 1985–1986: Divisional Manager (Country Manager).

Managed \$15 million business. Established contract manufacturing operation.

Unilever, India: 1984–1985, Sales and Marketing Manager, Lipton.

Led \$90million, 575 employees South India operations and bulk teas profit center. Differentiated Lipton in a commodity market.

Balsara Hygiene Products, India, 1982–1984: General Sales Manager.

Head of Sales and Marketing. Contributed to successful launch of Promise, the second ranked toothpaste brand.

Johnson & Johnson, India, 1978–1982: Senior Product Manager.

Led the baby business. Enhanced market footprint and launched No More Tears Baby Shampoo and Johnson's Swabs.

Colgate Palmolive, India, 1977–1978: Product Executive.

Launched Colgate Trigard Toothbrush, and School Dental Health and "Young India" programs.

Professional Development

Education

Master of Management Studies (MMS): 1976, Bombay University, India. This is the University's MBA program.

BA (Honors) Economics: 1974, Delhi University, India.

Professional Programs and Skills

Global Management Program, Thunderbird, Graduate School of Global Management, Phoenix: 1995.

Leadership and Influence, Babson School of Executive Education, Boston: 1994.

Examiner for J&J's Process Excellence initiative; speaker at Leadership Development Programs.

Scholarship

Rotary Foundation Fellow: Received educational award for promoting international understanding, 1982.

Teaching Appointments

Distinguished Executive-In-Residence, Thunderbird School of Global Management, 2004.

Adjunct Faculty, MBA Programs: Schulich School of Business, York University, Toronto, Canada (1991 to 1993); Bombay University, India (1976 to 1984).

Select Publication and Presentation

New Development Approaches from International Foundations—Africa Green Revolution Summit, Oslo-September 2006 and Donor Platform Meeting, Washington, D.C.—Dec 2006.

Wellness in the OTC World: Where are the Googles and Yahoos Lurking?—OTC Insights, February 2006.

Rx for Changing Healthcare—OTC Insights, July 2005.

Foreword: Strategic Roadmap for the Emerging Markets- Nicholas Hall Publication, December 2003.

The Intrigues and Challenges of Global Advertising-The Advertiser June 2003.

Broadcasting

News and Sports anchor on national television and radio networks in India, 1969–1984.

Languages

Lived in six countries, speak six languages

Board and Council Affiliations

Member of the Global International Councils/ Boards/ Expert Advisory Panels of:

Thunderbird, School of Global Management since 2001.

American Management Association's (AMA) 1999–2003.

Consumer Health Products Association (CHPA) 1999–2003.

Association of National Advertisers (ANA) since 2000.

Dalberg Global Development Advisors since 2009.

Member of the Board of

AeroGrow International, Inc. an early stage company since 2008.

SIRIT, an RFID company listed on the Toronto Stock Exchange 2005–2007.

World Self-Medication Industry (WSMI) 1999–2003.

The CHAIRMAN. Thank you very much, Mr. Kumar.

I have to say that the three of you have a public service commitment and background which is really quite awesome. I am not saying it doesn't happen, but it doesn't happen as often as one would wish. And you three, at least lift my spirits a great deal.

Mr. Kumar, if I might start with you, sir. The U.S. and Foreign Commercial Service is something I have dealt with a lot in my life because I come from a little state called "West Virginia," which almost nobody has heard of, and yet those of us who represent it obviously feel very strongly about it.

And one of the problems that—I mean, most states or large sections of most states are, in fact, rural and do not automatically think about overseas opportunities. My close colleague, Senator Hutchison, there are many large cities in her State of Texas, but there are also large parts of eastern Texas and other parts which are not at all metropolitan and which don't necessarily have, like parts of West Virginia, the instinct to do business overseas.

One of the things I have found, and I am very interested in overseas business and doing it two ways, and that is one of the things I tried to do in West Virginia is to get it. I went to school in Japan. So I spent a lot of time getting Japanese business here and trying to get our businesses to export overseas.

It is not—the second is not necessarily as easy as the first, even in a small state like West Virginia. And it is because of something called a "mind set," which says that because we are small, because we are rural, because we are producing crafts or because we are producing, on the other hand, aerospace parts, which is true in our state, it is not likely that we are going to get on a list, that we are going to make it in some foreign country.

I would like you just for a minute to address the psychology of how you deal with that in American communities, how you would deal with it if confirmed?

Mr. KUMAR. Thank you, Chairman, for giving me the opportunity to address a complex issue such as psychology related to trade.

I would preface by saying my entire experience in the business world had been dealing with big corporations exporting to different countries. Over the last 5 years, I have spent my time and my entire last 5 years of my life in building trade conduits from rural

markets, working in such rural areas as small towns and small farms in Africa.

I know the immense potential which exists in rural markets if tapped right, and I also know from personal experience the tremendous potential which is there can only be trapped by training, by making people aware of the services such as the U.S. Commercial Service, which you have referenced. If confirmed, it will be my duty and my honor to serve the rural part of not only your state, but other states, too, and encourage small and medium enterprises, whether they are on the farm or in industrialized sectors, to actually engage with the U.S. Commercial Service and find international markets of what they could do.

There are markets out. We just need to tap into people and make them aware of the services which is available to them.

The CHAIRMAN. But that is my question. How do you—how do you tap them? How do you give them the confidence to do what you and I know they could do were they to take the psychological or whatever you want to call it risk of doing something which is in their benefit, but they don't know it and they can't prove it. So they hesitate to do it. How do you address that?

Mr. KUMAR. A couple of thoughts. I am not an expert in the area as yet, but as a businessman having seen this, if confirmed, I will reach out to your office, as also offices of other Congressional members, to learn better how to service and tap into that, number one. But number two is I believe the U.S. Commercial Service need not be the best-kept secret in rural America. They need to become the least-kept secret, and it will be my goal to do precisely that.

The CHAIRMAN. Good.

I have so little time left that I am going to yield it to my distinguished Ranking Member, Senator Hutchison.

Senator HUTCHISON. Well, thank you, Mr. Chairman, and thank all of you for being willing to make the sacrifices to serve.

Let me start with Mr. Coyle. With respect to dual-use technologies, which is going to be a major part of your portfolio, that obviously can be used in military as well as commercial products and for purposes. How can we promote American innovation without jeopardizing national security, when we are working with countries where there may be a security threat in the future?

Mr. COYLE. Senator Hutchison, thank you. It is good to see you again. We had some interactions when I was on the President's Base Realignment and Closure Commission, and it is good to see you again.

Senator HUTCHISON. Oh, that is right. Thank you.

Mr. COYLE. The question of foreign access to our best technology, I think none of us want our adversaries to have access to U.S. technology, especially the most important and best of U.S. technology that can be used against us. However, in my experience, American companies need to be able to sell overseas. When they are able to do that, it brings down the price for American consumers and for—in the case of the Defense Department, it brings down the price for them.

And also sometimes, we are not allowing technology to be sold overseas which is already well known, which companies from other

countries are selling overseas. So why shouldn't U.S. companies be able to sell that same technology if it is well known?

Also there are ways to protect the most important ideas. Sometimes those ideas are embedded in software or in special sensors where you can sell a good part of the product, but maybe not those most key items.

So if I were confirmed for this position, one of the things that I would want to do is to strike a balance here between making it more possible for American companies to export their technology, but of course without giving away important secrets.

Senator HUTCHISON. Thank you. We will look forward to hearing more as you are in the job about the measures that you are taking.

Mr. Quehl, the life-cycle cost of the 2010 decennial census is expected to be around \$15 billion, and a major cost of that is the non-response follow up operation, which is expected to cost almost \$3 billion. This estimate is based on 64 percent of the American public returning completed forms to the Census Bureau. The Census has stated that a single percentage point decrease in response rate will incur an additional \$80 million to \$90 million in costs.

So here is my question to you. As you know, before this Committee, Secretary Locke committed to not having estimates but having one-on-one counts for our census purposes. What will you do to assure that efficiencies are in place and to perhaps get a better than 64 percent public return and try to save those dollars that can be done while assuring that we have a census that is an individual count?

Mr. QUEHL. Thank you for the question, Ranking Member Hutchison.

I think you are speaking straight to the heart of the importance of integrating operational management and financial management. That in tracking performance on the ground with respect to these operations, we should have a clear sense of the impacts on the estimates on the department's budget and in terms of estimates, in terms of reporting, and doing this all on a practical enough basis to be able to take corrective actions to improve that performance.

That is certainly something I would commit to if confirmed, and I would look forward to working with you and other members of this Committee in ensuring that that takes place.

Senator HUTCHISON. Thank you.

Mr. Kumar, the U.S. and Foreign Commercial Service works closely, of course, with government organizations like the Eximbank and the Trade Promotion Coordinating Committee to provide assistance to U.S. businesses exporting overseas. Inter-agency cooperation is a key factor here. How would you approach interagency cooperation to provide the best unified framework for U.S. businesses to export and also small businesses, which often don't have the information and capability to access the help that they might be able to get from the Federal Government to do more in that area?

Mr. KUMAR. Thank you, Senator Hutchison.

Those are incredibly important issues very close to my heart as a person from the business world. How do you coordinate the efforts of different agencies serving to increase exports for the coun-

try and do that in a manner which you have a unified voice which makes a much greater impact?

I understand that the Trade Promotion Coordinating Committees have been established. If confirmed, I will work very closely with my colleagues in the Government and other agencies within the Government within the Department of Commerce, as also with Members of Congress, to make sure that all views are put in and we can have a coordinated approach.

The second portion of the question which you raised is how do we serve the interests of small and medium enterprises, which is at the heart of what American business is? I see that as a major effort which the U.S. Commercial Service must put. I think they have taken several initiatives toward that end, and if confirmed, it would be my—my goal would be to meet up with small and medium enterprises to make sure that their voices are in any policy framework which we initiate.

But what I am thrilled is my job potentially begins on day one really moving exports and working with these small and medium enterprises to create jobs here at home. And I go back to the previous reference which I have made. We must make the U.S. Commercial Service to the small and medium enterprises the least-kept secret, and I will hold my feet to the fire to do precisely that.

Senator HUTCHISON. Well, that is so important, and I appreciate what you said because exporting does create jobs in America, and that is what we all want right now, of course.

Thank you very much.

Mr. KUMAR. Thank you.

The CHAIRMAN. Thank you, Senator Hutchison.

Senator Lautenberg is not here. Senator LeMieux?

**STATEMENT OF HON. GEORGE S. LEMIEUX,
U.S. SENATOR FROM FLORIDA**

Senator LEMIEUX. Thank you, Mr. Chairman.

Thank you all for agreeing to public service. I know that there are other things that you could be doing and have done where you could make a lot more money, and I appreciate your sacrifice, especially Mr. Quehl with a young family. And to assure you, my first grade son beats up on me, too. So you are not alone.

[Laughter.]

Senator LEMIEUX. He is joined by the other two sons, who also beat up on me.

Let me start with you, Mr. Kumar, if I may? I appreciate your passion for trade. It is a big deal for my home State of Florida. We have about \$53 billion worth of trade a year, and we are very interested in Florida in getting these free trade agreements pursued by this Congress and the Administration, hopefully, pursuing them.

So I want to speak to you specifically about what role you will play, and will you be an advocate for the consideration of the Colombia, the Panama, and the Korea free trade agreements? It would mean a lot to Florida in our trade and creating jobs for our state.

Mr. KUMAR. Thank you, Senator LeMieux.

For anyone who has been involved in business, open markets and access to markets is what we dream about and live every day, and

that is precisely why I am so excited with the possibility, if confirmed by you and the Senate, to take over the job of DG of U.S. Commercial Services.

Also, as a businessman, I have learned it is very important not only to support those trade agreements and have open access to markets, but it is equally important to make sure that American business interests are protected by way of free and fair trade, and that is something I will work across different Government agencies, work with Members of Congress, and work with my colleagues in Commerce to make sure happens.

Senator LEMIEUX. Thank you very much. Thanks for your advocacy on that.

Also just one more comment to you before I move to Mr. Quehl. Your Commercial Service does a great job, and I have encountered them overseas in the embassies and how they are bringing in businesses. But one thing that we have learned, Mr. Chairman, from previous hearings that we have had, is that not enough of our small business people know about the good work that you do in connecting them with foreign businesses.

So anything that you can do to be an educational conduit to small businesses—we have 1.9 million small businesses in Florida—we would really appreciate that. They need to get the good word out that you can hook them up with customers overseas. So I appreciate your work on that as well.

Mr. Quehl, I liked your comments about the role of a CFO being beyond the ledger and to make Government better. As you know, the American Recovery and Reinvestment Act put a lot of money in your agency, \$8 billion, to be spent to stimulate this economy. But not much of that has been spent—from what I am told, 5.46 percent, \$432,000 at the Department of Commerce.

So could you speak to what role you will play to try to advance those funds as quickly as possible so that we can help Americans who are struggling in this difficult recession?

Mr. QUEHL. Thank you, Senator.

Having been raised in Wisconsin, a State that relies on its manufacturing base, and understanding the pain that the manufacturing sector is taking right now, having friends from high school who lost jobs, we are concerned about losing jobs. I fully understand the imperative at a very visceral level of moving those funds through quickly—quickly and prudently and transparently.

I am not familiar, having with these specific numbers at present, but will get on top of that, should I be confirmed, the first day I take the post. What I would say is there is a commitment to moving those monies out. There is a commitment to doing so in the spirit and fact and systems of transparency and prudence, and it would be my commitment to not only undertake that and manage that, but to work closely with you and members of this Committee for a full understanding of how and how well those ARRA resources are being invested.

Senator LEMIEUX. OK. Thank you very much.

Mr. Coyle, you have been a critic, an outspoken critic of the ground-based missile defense system in the past. You said in April of 2008 that the GMD system had no demonstrated effectiveness to defend U.S. or Europe under realistic operational conditions.

My question to you is do you believe that in this new role that you fulfill that you will have, as part of that role, advising the President or the Administration on ground-based missile defense? It could be that this is out of the scope of this job. And if it is, then I won't have any other questions. But if it is not, then I may have one more.

Mr. COYLE. I might be asked—Senator LeMieux, I might be asked scientific or technical questions about missile defense, including the ground-based system. I wouldn't have a role in determining operationally when, if, or how it would be deployed. That would be up to the Pentagon, of course, to the Missile Defense Agency. Nor would I have a role in terms of the policy, of whether we should do it this way or that way, if it was not a scientific or technical matter.

As for my comments in the past, President Obama has said that as long as we face a threat from ballistic missiles, we should have ballistic missile defenses and work to improve them, and I support that position. And myself, publicly on a number of occasions, I have said that even if there were no threat from North Korea or Iran, I would support research and development in missile defense if for no other than to avoid technological surprise.

If the day comes that we have to depend on missile defenses, we hope that never comes, that never happens. But if such a day should come, we want them to be effective. We want them to work. And the military environment would be very hostile. Nuclear weapons, we are talking about. And so, part of the reason why I have encouraged a better testing program and other measures for missile defense is because I recognize that the military environment in actual use would be so stressing.

Senator LEMIEUX. Mr. Chairman, my time has expired. Thank you very much.

The CHAIRMAN. Thank you, Senator.

Senator Thune?

**STATEMENT OF HON. JOHN THUNE,
U.S. SENATOR FROM SOUTH DAKOTA**

Senator THUNE. Thank you, Mr. Chairman.

I, too, want to thank our nominees for their public service in the past and willingness to do it in the future and the contributions that your families make, too. I know that any time you enter into the realm of public service, it is a family commitment. So we appreciate those who are here today and those who support you back in your homes.

I want to welcome Commissioner Coyle. Harking back, I have got BRAC tattooed on my brain, like Senator Hutchison perhaps does, too, and I want to compliment you on the good judgment you exercised during the BRAC process, by the way.

[Laughter.]

Senator THUNE. I do want to piggyback on Senator LeMieux's question, though, and get a little more into this issue. Maybe we would have a difference of opinion, but you have said, and I guess this is from testimony earlier this year in front of the House Armed Services Committee that—or that you wrote that, “it is clear that the ground-based missile defense system and the U.S. missile de-

fense system proposed for Europe require challenging and realistic testing before Congress and the Administration can determine if those systems can be operationally effective.”

Now what Admiral Mullen, Chairman of the Joint Staff, has said that—and this was in testimony before the Armed Services Committee—that “I believe United States has a viable initial operational capability, that we are maturing the system toward a full operational capability.” And then earlier this year, at a hearing before the Senate Armed Services Committee, Admiral Keating, who is the PACOM combatant commander, testified that he believed the United States had a high probability of intercepting an intercontinental ballistic missile aimed at the United States by North Korea.

And I guess the question I have is how do you reconcile sort of your view, assessment of the operational effectiveness of the ground-based missile defense system with the statements that are being made by some of our military leadership combatant commanders?

Mr. COYLE. Senator Thune, nice to see you again also.

With respect to my testimony, for example, before the House Armed Services Committee, one of the things I was trying to bring out there was that, in some cases, our missile defenses have not been tested under rather benign military environments—forget about the most stressing military environments—that those systems might face.

For example, you would like to see the ground-based system tested at night. Hasn’t been done yet. Why is that important? Because at night, when the sun is not shining on the enemy’s missile that is coming toward you, it is colder and it is harder for the infrared sensors to see it.

So I brought out in that testimony a number of different examples—bad weather, different examples, I won’t try to go through them all here—but of things that I thought still needed to be done that could be really crucial in a time of war. With respect to nuclear environments, the Pentagon has pointed out that some of these systems are not hardened as yet. And so, those were the kinds of things that I was trying to bring out.

Senator THUNE. And in that testimony before the House Armed Services Committee, and this was earlier again this year, you wrote of the need to increase testing, which you just mentioned, for ballistic missile defense systems, including the ground-based mid-course defense system. And yet the Missile Defense Agency Director, General O’Reilly, testified this year before Congress that the Missile Defense Agency was moving away from conducting two ground-based missile defense tests per year to one test every 9 months.

What is your view of this new, slower rate of testing, and do you assess that the Missile Defense Agency has the ability to conduct at least two ground-based missile defense flight tests per year?

Mr. COYLE. Senator, I am pleased to be able to say that General O’Reilly and I have—go back a long way and have worked very well together in the past. When I was in the Pentagon, he was running the THAAD program, and we worked together to improve that program, and it is much better today than it was back in the late 1990s.

These tests, especially the tests to the ground-based system, are very expensive, very complex. It takes the analysts who have to look at all the data from these tests a long time. General O'Reilly has told me a year sometimes it takes to analyze all the data from a test. And so, for these reasons, cost and complexity and all, it is very difficult to do even two tests a year.

Would I like to see two tests a year? Yes. And so, I think, would General O'Reilly. But as a practical matter, especially given all the other priorities, it is difficult to do.

Senator THUNE. One final question, Mr. Chairman, if I might? And that has to do with an agreement in May. We agreed, I should say, to a negotiating agenda at the U.N. conference on disarmament that commits the U.S. to a treaty on the prevention of an arms race in outer space. I think we need to understand the scope of the impact that that kind of a treaty could have on our defense and U.S. defense programs.

And I would ask you—and you don't have to do this now, but if you could furnish this—to identify for the Committee those U.S. defense systems that currently are in the field or in development that might directly or indirectly be used to support an anti-satellite capability. Is that a list that we could—

Mr. COYLE. Senator, yes. I believe—I don't have that at my fingertips, but I believe that is something that we could provide for the record. And as I mentioned in my opening statement, I see part of my job, if I were confirmed, to make sure that new treaties we enter into, that the country may enter into, have adequate verification provisions.

Senator THUNE. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Thune.

I will just—unless there are other questions, I didn't ask two of you questions. So I want to do that, and then Senator Lautenberg is on his way back. And then he will handle the three additional nominees.

Mr. Quehl, you say—you used the phrase “an opportunity for transformation.” And you used this in terms of over half of the Federal workforce eligible for retirement, is probably going to take that retirement.

Now there is a conundrum here because, actually, people are looking to Government because they can't find work. People are looking to the armed forces because they can't find work. Applications for the Peace Corps and for the CIA, two ends of the spectrum one might say, have never been greater in amplitude or in quality than they are in these last couple of years.

So people are clearly seeking something, certainly a job, but more importantly, something which is meaningful to them. Nevertheless, if you lose half of your workforce, the Federal workforce, and so I am just going to slop that over to include the Commerce Department, and you talk about an opportunity for transformation. I am inspired by that, but I am not clear as to what you mean by that.

Mr. QUEHL. Thank you, Chairman.

Mr. Chairman, the challenges and opportunities are often, as the saying goes, are presented at the same time. We have—in my brief interactions with the staff, the career staff at the Department of Commerce, I am impressed by their commitment, by their profes-

sionalism, by their passion to achieve their missions and to help them affect people's lives for the better.

As a matter of fact, when half of one's department's workforce, particularly at the scale we are discussing, are eligible to retire and one takes a view beyond just one year, a multi-year view, one looks at what can be done to find the best—the next generation of the best and the brightest with a similar passion for public service, particularly at this time where there are so many with such high qualifications seeking these positions.

Beyond hiring people, there is a question of how can processes be fundamentally reinvented? How can technologies be used so that perhaps even better levels of service and results for the American people could be achieved with very different staffing configurations? And third, I believe that through the connection of mission to goals through program—through evaluation of programs and budgeting that the Secretary and Deputy Secretaries are committed to, I do believe that we will have an opportunity to take a fresh set of eyes and to look at transformation, both through the way we hire and motivate and work with our career employees, and through the ways we invest in technology and better processes to achieve better results.

The CHAIRMAN. One of the reasons I asked that is because you can have changes at the top, as we are talking about here, but the people who have been in service for decades have developed a certain way of doing things. In the meantime, the world has changed. The way of interagency cooperations have, for the most part, not changed.

So what you are saying is that, I guess, as you are able to bring in younger people and more seasoned professionals, who we desperately need because younger people don't have that experience yet, they will grow into their positions very quickly because they will have to learn a lot of policy very fast.

Mr. QUEHL. Yes, Mr. Chairman. I might add that there may be different ways of achieving the same ends. There may be the issue of how to motivate, change the psychology of people in rural areas, that question that you had raised earlier. How would we staff, and how would we use technology, and how we could manage our facilities in a way that would bridge that gap between hard-working people who want a chance to compete and succeed in the global economy and a Government program and staff and resources able to help bridge that gap to help them do it?

That may be a question of managing the same people differently, training the same people differently. It may be a question of finding, of bringing in others who would handle that proactively and differently. It may be a question of using technologies to do it differently. But this is, it is a remarkable time with all the challenges we have to consider how to do things differently and better on behalf of the American people.

And I look forward, if I am confirmed, to working with you and this Committee in achieving that.

The CHAIRMAN. Thank you. I have one more quick question.

Mr. Coyle, I have a question for you. We are very partial here in this Committee to the National Oceanic and Atmospheric Administration. They are very large. They are not very well known.

They are extraordinarily important when it comes to their ordinary functions as well as the whole matter of climate change.

Acquisitions and management of critical environmental satellites is an issue. My question of you is would you support independent cost estimates for the procurement of satellite systems?

Mr. COYLE. Mr. Chairman, the question of the planning, the budgeting, the acquisition, the maintenance of the management of a large capital asset acquisition is essential I would say throughout the Federal Government and certainly within the Department of Commerce, be it in NOAA or other bureaus.

The scale of these investments is so large that managing them right—getting it not right with respect to the numbers or the management could have huge implications in terms of the overall department budget and ability to achieve its mission and the impacts it may have on other programs.

So the issue of having faith in cost estimates, faith in the order and method of planning and managing that position of these programs certainly would be, if I am confirmed, a top priority of mine. I know it is an essential priority of the Secretary and the Deputy Secretary. I had an opportunity to discuss this with the Deputy Secretary already at some length, and with respect to independent assessment and analysis of cost, I would beg the Committee's and your indulgence in terms of some time to consider that, how best to structure that.

But if the essence of the question is how do we have faith in those numbers and the application of those numbers to sound financial management within the bureau and within the department as a whole, I am absolutely committed to that and would look forward to working with you and other Members of the Committee on that subject.

The CHAIRMAN. That is good. I only asked that question because I serve on the Intelligence Committee, and it is absolutely mind-boggling the complete difference between the reality of the guess-timate or the official estimate of what something will cost and what it actually turns out to be 7 years later.

Mr. COYLE. Yes.

The CHAIRMAN. When it finally isn't ready to take off. So there is a lot of heat behind that question.

Mr. COYLE. Yes.

The CHAIRMAN. And I hope you will take it seriously, and I am sure you will.

Mr. Coyle, it is interesting to me. You are really the first person in almost a decade to be put up for the position that you have been nominated for because Mr. Holdren has a number of people who work with him, and some of those positions haven't been filled. There are four of you that are going to be nominated and hopefully approved for these positions in working with Mr. Holdren, Dr. Holdren.

I am enormously interested, as is Olympia Snowe on this Committee and many others on this Committee and everybody who has their head properly placed, in cyber security. It is according to both President Bushes, the last President Bush's DNI and Obama's DNI, Director of National Intelligence, the greatest national security threat facing our Nation. This is quite extraordinary for some-

thing which was DARPA-invented some years ago. It was unfamiliar to people for a long time and now all of a sudden, it is the top national security threat because people can undo you gradually, dangerously, lethally, in so many ways so easily and never be detected in many case.

So the question of how you do cyber security, how you go with that, and the question of climate change, there is so much that heaps itself on top of you, should you be confirmed, which I hope you will be, and it will be difficult for you because, again, there has not been a person in your position for a while.

So if you could just make a brief comment on each, cyber security and climate change, I would be grateful.

Mr. COYLE. Yes, sir. Senator, you raised two really important topics, and I appreciate your leadership in both of them. With respect to the cyber security issue, I am not yet privy to the intelligence information that you are, but if I am confirmed, I will be, and I believe that will help me understand better what to do.

But one doesn't need to be privy to this intelligence information. Just last week, we all saw the news in the newspaper of where criminals were emptying out bank accounts, millions of dollars worth of bank accounts because of cyber security breakdowns. So, obviously, for national security purposes, we just cannot permit such a thing. We can't permit those kinds of breakdowns, and it is something that I expect I would have to devote a considerable amount of attention and effort to if I am confirmed.

With respect to climate change, again, I very much appreciate your leadership in helping the Nation understand what an enormous asset coal is. I regard energy security and national security as one and the same. I don't think they are separable. And an important part of that, making the best use of America's coal resources, is going to be developing technologies to be able to use them cleanly.

In that regard, I think carbon capture and—carbon sequestration and capture is going to be very important. There are demonstration projects moving forward, such as the Mountaineer Project in your state and other projects I am aware of in California. There are probably others I don't know about yet. Those kinds of projects, I think, are going to be really crucial in helping us make the best use of the wonderful coal resources we have.

The CHAIRMAN. I thank you for that. One of my concerns, then I really promise to stop, is that we too often, sometimes in the Senate—or I should say even in the Senate—we legislate on things that we don't fully understand. And I think cyber security automatically qualifies for that because it is really, more or less, a new word to most people, not totally in this body, but to some extent in this body. But generally across the country, it is a mysterious word, even as it is very dangerous—and has dangerous potential.

In the matter of climate change, everything seems to be based on—you say the word “cap and trade.” And if you are for “cap and trade” in a coal state that you are a bad guy. If you are for it, elsewhere you are a good guy.

And yet I would wager you that more than 50 percent of the members of the U.S. Senate couldn't give you a decent explanation of what “cap and trade” meant and what it did and how it works,

much less the people in the states who are going to be affected and especially the coal states, most importantly, by this. And that is an enormous challenge I think to all of this is to speak in language which is clear and direct to people who mine coal and who produce coal, et cetera, and burn it.

The producers and the burners will probably understand it, but the folks who mine it may not. And therefore, they will be afraid of it. And there isn't actually always necessarily a reason for them to be afraid, because it can work for coal. But anyway, it is just part of the excitement, I think, of the challenge that faces you.

I apologize to both of my colleagues and for going on for so long and now would ask Senator Lautenberg—do you have any more questions of this panel?—to come over here and introduce our three next nominees.

Senator LAUTENBERG. I am honored, and I report for duty.

The CHAIRMAN. All right.

Yes, thank you all very, very much. Very much. Mark, you take good care of your father.

Senator LAUTENBERG [presiding]. Welcome. I know when there is a good show people linger on, but now we have substantially reduced the size of the crowd. Don't take that as a personal thing. It is me, really, that is—

And this is a position that this will be considered in the final analysis the coup d'état. I have taken over. I have got the Chairman's seat. And by the way, this is a special seat. So, seriously, it is because Senator Rockefeller has had a problem with his leg, and so the chair is nice.

[Laughter.]

Senator LAUTENBERG. Anyway, on the serious side, I couldn't stay for the other panel, but I particularly was focused on this panel because it has so much relevance to the subject that sits right in front of us. Particularly coming from our Northeast corner with the crowding and the desperate need that we have for getting, finding ways to reduce the traffic congestion and better environmental condition, less dependence on foreign oil and giving people a chance to know that, for the most part, they can arrive at their destinations on time, regardless of weather, and not having to go to an airport where they are competing for space with people going to lots of different places.

And we have seen some pretty good development at Amtrak over the years, and we are pleased to have the two of you who are seeking seats on the Amtrak board.

And Mr. Rosekind, you come with a lot of experience, and we need the kind of skills that you have developed on the reviews of what is happening on our National Transportation Safety Board to make sure that if accidents do happen, we learn enough to try to prevent them from happening in the future.

So let me just take 1 second, and we are ready now. Mr. Coscia, do you want to take your 5 minutes or 3 minutes? What do we—5? OK, that is because they knew I had the influence.

**STATEMENT OF ANTHONY R. COSCIA, DIRECTOR-DESIGNATE,
AMTRAK BOARD OF DIRECTORS**

Mr. COSCIA. Thank you, Senator.

Senator LAUTENBERG. Please make your statement.

Mr. COSCIA. Let me begin by recognizing that Chairman Rockefeller admonished the earlier panel if they failed to introduce any family members that were in attendance. So not wanting to suffer the fate that Chairman Rockefeller suggested would happen, I do want to mention that my daughter, Christine, who is a senior at Georgetown, is here with us today. My son, Joseph, is also at Georgetown and tried to use this hearing as an excuse not to take an exam at 2:30 p.m., but I chose rather to have him stay in place. But Christine is representing our family.

Senator LAUTENBERG. OK. She is welcome here, and you might see something around here that you would like to have more contact with on a regular and permanent basis. We always are looking for inspired young people who want to come to Government. So welcome.

Mr. COSCIA. Thank you, Senator.

And I also wanted to thank you and Senator Menendez for your gracious introductory remarks and for providing me with the support and encouragement during this nomination process.

I am deeply honored that President Obama has nominated me to serve on the Board of Amtrak. If confirmed, I commit to bringing my experience, both as a lawyer in the private sector and a long-standing public servant in my home State of New Jersey to the service of Amtrak's board.

Today, I would like to briefly discuss my qualifications and explain what I believe are some of the principal issues facing the Amtrak Board, and I would like to use the remainder of the time, obviously, to answer your questions or any of your colleagues' questions on matters that are so critical to supporting our Nation's passenger rail transportation system.

I received my undergraduate degree from Georgetown University School of Foreign Service and my law degree from Rutgers University School of Law. For the past 25 years, I have been affiliated with the firm of Windels Marx Lane & Mittendorf, one of New York City's oldest law firms. I have been a partner at Windels Marx since 1990 and a member of the firm's Executive Committee since 1994.

My practice focuses on corporate, commercial, and real estate transactions, with a concentration on the financial elements of those transactions. I have considerable public sector experience relating to economic development and transportation and, in particular, the rail business.

Since April 2003, I have served as Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey. The Port Authority manages, as you know, some of the Nation's most critical transportation facilities, including three major commercial airports, four port facilities, and six interstate bridges and tunnels. As Chairman, I have had broad oversight responsibility in connection with the Port Authority's varied businesses and the implementation of its annual \$6.5 billion capital and operating budget.

One of my major initiatives has been to strengthen the agency's governance principles. In 2007, I led the first major effort at the Port Authority in 26 years to amend the agency's bylaws, and those

amended and restated bylaws include a variety of measures intended to enhance the Port Authority's transparency and strengthen its management and accounting controls.

Of particular relevance to my nomination, the Port Authority operates the PATH commuter rail system. PATH transports approximately 230,000 riders each weekday between New York and New Jersey. During my tenure as Chairman, the Port Authority has dedicated over \$3 billion to overhauling the 100-year-old PATH system. This includes replacing the entire fleet of PATH rail cars, replacing the signal system, and modernizing all 13 PATH rail stations, as well as enhancing the safety and security of the entire system.

Beyond my current role at the Port Authority, I also have served as a director and audit committee member of other public agencies. From 1992 to 2003, I was the Chairman of the New Jersey Economic Development Authority, one of the largest State-sponsored development banks in the United States.

I am excited about the possibility of serving as an Amtrak Director because I believe America's global competitiveness requires expanding overall transportation capacity and providing meaningful alternatives to the Nation's prevailing transportation modes. Based on my experience at the helm of a public agency that operates rail, airports, and bridges and tunnels, I strongly believe that a vibrant, competitive, and comprehensive passenger rail system is a critical component of a 21st Century multimodal transportation system.

The benefits of such a system are numerous. It would improve the mobility of our Nation's congested highways and roadways, reduce energy consumption, and result in improved air quality and lower greenhouse gas emissions. Rail stations can also serve as magnets for higher-density and compact transit-oriented development, resulting in further environmental benefits.

I recognize that Amtrak faces a number of challenges in realizing this goal. Among the most significant challenges is securing a stable funding source. Maintaining sufficient levels of funding for Amtrak would enable it to develop a long-term capital investment plan and would ultimately result in better, more comprehensive passenger rail service.

Another major challenge is maintaining the transparency and accountability of Amtrak's Board and its management staff. In order to gain the trust of the general public and the Congress, Amtrak's leadership, including its Board, must make every effort to conduct itself and its business in a transparent manner.

If confirmed as an Amtrak Board Member, my principal responsibilities would include helping establish Amtrak's management and accounting controls and monitoring whether Amtrak staff's financial management and operational decisions are in compliance with those controls. I would discharge these responsibilities through my attendance at board meetings and through frequent interaction and consultation with the Amtrak executive staff.

Should I have the privilege, Senator, of this Committee's endorsement and the confirmation of the full Senate, I pledge my best efforts to serve the public and the entire Amtrak team. I also pledge my full responsiveness to the members and staff of this

Committee, the entire Senate, as well as the House of Representatives.

Thank you for giving me an opportunity to speak, and I pleased to answer any questions.

[The prepared statement and biographical information of Mr. Coscia follows:]

PREPARED STATEMENT OF ANTHONY R. COSCIA, DIRECTOR-DESIGNATE,
AMTRAK BOARD OF DIRECTORS

Chairman Rockefeller, Ranking Member Hutchison, and other members of the Committee, I appreciate this opportunity to appear before you today. Thank you, Senators Lautenberg and Menendez, for your gracious introductory remarks and for providing me with support and encouragement throughout the nomination process. I am deeply honored that the President has nominated me to serve on the Amtrak Board of Directors. If confirmed, I commit to bringing my experience, both as a lawyer in the private sector and as a longstanding public servant in my home state of New Jersey, in the service of Amtrak and its Board.

Today I would like to briefly discuss my qualifications and explain what I believe are some of the principal issues facing the Amtrak Board. I would like to use the remainder of today's session to hear from you which issues and matters you believe are most critical for our Nation's passenger rail transportation system.

I received my undergraduate degree from the Georgetown University School of Foreign Service and my law degree from the Rutgers University School of Law. For the past 25 years, I have been affiliated with Windels, Marx, Lane & Mittendorf, LLP, one of the New York region's oldest law firms. I have been a partner at Windels Marx since 1990 and a member of the Firm's Executive Committee since 1994. My practice focuses on corporate, commercial and real estate transactions, with a concentration on the financial elements of those transactions.

I have considerable public sector experience relating to the travel and transportation industries, and the rail business in particular. Since April 2003, I have served as Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey. The Port Authority manages some of the Nation's most critical transportation facilities—including three major commercial airports, four port facilities, and six interstate bridges and tunnels. As Chairman, I have broad oversight responsibility in connection with the Port Authority's varied businesses and implementation of its annual \$6.5 billion capital and operating budget. One of my major initiatives has been to strengthen the agency's governance and ethics principles. In 2007, I led the first major effort at the Port Authority in 26 years to amend the agency's by-laws; the amended and restated by-laws include a variety of measures intended to enhance the Port Authority's transparency and strengthen its management and accounting controls.

Of particular relevance to my nomination, the Port Authority operates the PATH commuter rail system. PATH transports approximately 230,000 riders each weekday between New York and New Jersey. During my tenure as Chairman, the Port Authority has dedicated \$3.3 billion to overhauling the 100-year-old PATH system. This includes replacing the entire fleet of PATH rail cars, replacing the signal system, modernizing all 13 PATH stations, and enhancing the safety and security of the entire system.

Beyond my current role at the Port Authority, I also have served as a director and audit committee member of other public agencies. From 1992 to 2003, I was Chairman of the New Jersey Economic Development Authority, one of the largest state-sponsored development banks in the United States.

I am excited about the possibility of serving as an Amtrak director because I believe America's global competitiveness requires expanding overall transportation capacity and providing meaningful alternatives to the Nation's prevailing transportation modes. Based on my experience at the helm of a public agency that operates rail, airports, and bridges and tunnels, I strongly believe that a vibrant, competitive, and comprehensive passenger rail system is a critical component of a 21st Century multi-modal transportation system. The benefits of such a system are numerous: it would improve mobility on our Nation's congested highways and roadways; reduce energy consumption; and result in improved air quality and lower greenhouse gas emissions. Rail stations can also serve as magnets for higher-density and compact transit-oriented development, resulting in further environmental benefits.

I recognize that Amtrak faces a number of challenges in realizing this goal. Among the most significant challenges is securing a stable funding source. Main-

taining sufficient levels of funding for Amtrak would enable it to develop a long-term capital investment plan that would ultimately result in better, more comprehensive passenger rail service. Another major challenge is improving the transparency and accountability of Amtrak's board and management staff. In order to gain the trust of the general public and Congress, Amtrak's leadership, including its Board, must make every effort to conduct itself and the business of the agency as transparently as possible.

If confirmed as an Amtrak Board member, my principal responsibilities would include helping to establish Amtrak's management and accounting controls and monitoring whether Amtrak staff's financial, management and operational decisions are in compliance with those controls. I would discharge these responsibilities through attendance at Amtrak board meetings and through regular interaction, consultation and dialogue with Amtrak executive staff.

Should I have the privilege of this Committee's endorsement and confirmation by the full Senate, I pledge my best efforts to serve the President and his Administration, and the entire Amtrak team. I also pledge my full responsiveness to the members and staff of this Committee, and to the entire Senate as well as House of Representatives.

Thank you again for inviting me to speak with you today. I would be pleased to answer any questions you may have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Anthony R. Coscia.
2. Position to which nominated: Director, National Railroad Passenger Corporation (Amtrak).
3. Date of Nomination: November 10, 2009.
4. Address (List current place of residence and office addresses):
 Residence: Information not released to the public.
 Office: 156 West 56th Street, New York, NY 10019.
 120 Albany Street Plaza, New Brunswick, NJ 08901.
5. Date and Place of Birth: 09/09/59; Paterson, NJ.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).
 Spouse: Alice Coscia, Substitute School Nurse, North Caldwell and West Essex Schools, New Jersey; children: Christine Coscia, 21; Joseph Coscia, 19; Stephen Coscia, 17; Elizabeth Coscia, 15; Marissa Coscia, 13.
7. List all college and graduate degrees. Provide year and school attended.
 Rutgers University School of Law (J.D., 1984).
 Georgetown University School of Foreign Service (B.S.F.S., International Economics, 1981).
8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.
 Associate Attorney, Windels Marx Davies & Ives, 156 West 56th Street, New York, New York 10019. General corporate, commercial and real estate practice. 1984–1990.
 Partner, Windels Marx Lane & Mittendorf, LLP, 156 West 56th Street, New York, New York, 10019. Member of the firm as a partner in the general corporate, commercial and real estate groups. 1990–1991 and 1992–Present.
 Executive Director, New Jersey Economic Development Corporation, 36 West State Street, Trenton, NJ 08625. Chief Executive Officer. 1991–1992.
9. Attach a copy of your resume. A copy is attached.
10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.
 Governor's International Trade Commission, Commissioner, 1990–1994.
 New Jersey Economic Development Authority, Chairman, 1992–2003.
 New Capital Sources Partnership Board, Director, 1996–1997.
 NJ Governor's Export Advisory Council, Director, 1996–1997.

NJ Schools Construction Corporation, Chairman, 2002–2003.
 Camden Economic Recovery Board, Director, 2002–2003.
 Budget Efficiency Savings Team, Chairman, 2002.
 Essex County Government Review Task Force, 2005–2007.
 Port Authority of New York and New Jersey, Chairman, Board of Commissioners, 2003–Present.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Regent, Georgetown University.
 Trustee, NJN Foundation.
 Trustee, Cerebral Palsy of North Jersey.
 Trustee, Liberty Science Center.
 Council of Trustees, New Jersey Performing Arts Center.
 Director, Marcal Paper Mills, Inc.
 Director, Motor Coach Industries International, Inc.
 Director, Interchange Financial Services Corporation and Interchange Bank.
 Advisory Board, Advance Realty Group.
 Advisory Board, PNC Bank, NJ.
 General Counsel, NJ World Trade Council.
 Director, Ryan Beck & Co.
 Trustee, New Jersey Community Development Corporation.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Member, National Association of Industrial and Office Properties. 03/04 to present.
 Member, Partnership for New York City, 04/07 to present.
 Member, New Jersey Alliance for Action, 1998 to present.
 Member, Economic Club of New York, 2008 to present.
 Member, Georgetown University Board of Regents, 2007 to present.
 Member, Rutgers University Business Council, 2005 to present.
 Member, Fannie Mae Regional Partnership, 2000 to present.
 Trustee, Cerebral Palsy of North Jersey, 2004 to present.
 Director, New Jersey Community Development Corporation, 2007 to present.
 Member, New Jersey Performing Arts Center Council of Trustees, 2006 to present.
 Director, Liberty Science Center, 2006–2008.
 Trustee, New Jersey Network Foundation, 2001 to present.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

2/2/99	\$2,000	Senate Democratic Majority
2/25/99	\$1,000	Torricelli for U.S. Senate
5/11/99	\$1,000	Menendez for Senate
7/9/99	\$1,000	Whitman for U.S. Senate
10/4/99	\$1,500	Middlesex County Democratic Organization
12/27/99	\$1,000	Florio for Senate
3/24/00	\$1,000	Corzine 2000 Inc.
3/30/00	\$1,000	Florio for Senate

4/18/00	\$1,000	The Senator Kyrillos Committee
6/12/00	\$500	New Jersey Democratic State Committee
7/14/00	\$600	Senate Democratic Majority Committee
9/6/00	\$5,000	New Millennium PAC
11/16/00	\$1,000	McGreevey for Governor 2001
4/2/01	\$2,000	Menendez for Congress, Inc.
4/5/01	\$2,000	2001 Victory Fund for James McGreevey
4/20/01	\$1,000	Menendez for Senate
6/19/01	\$600	Senate Democratic Majority Committee
7/19/01	\$2,000	The Middlesex County Democratic Organization
7/23/01	\$500	The Senator Kyrillos Committee
8/20/01	\$1,000	Menendez for Congress
9/26/01	\$5,000	New Millennium PAC
10/19/01	\$500	Hunterdon County Democratic Committee
11/29/01	\$1,000	Corzine Committee
4/18/02	\$2,500	New Millennium PAC
5/13/02	\$1,000	Torricelli for Senate
5/28/02	\$2,500	HCDL Leadership Fund
7/22/02	\$500	The Senator Kyrillos Committee
7/26/02	\$2,000	Committee to Elect Reiman
9/10/02	\$5,000	New Millennium PAC
4/9/03	\$2,000	Congressman Menendez
5/9/03	\$2,500	Senate Democratic Majority
5/21/03	\$2,000	Congressman Menendez
9/24/03	\$5,000	New Millennium PAC
11/5/03	\$500	The Election Fund of John S. Wisniewski
12/9/03	\$1,000	Senate Democratic Majority
3/22/04	\$1,000	Steve Rothman for Congress, Inc.
4/5/04	\$1,250	Senate Democratic Majority
4/7/04	\$2,000	New Millennium PAC
5/12/04	\$3,000	New Millennium PAC
6/2/04	\$2,000	Hoboken Democratic Party
6/29/04	\$3,000	NJ Democratic State Committee
10/1/04	\$3,000	New Millennium PAC
10/11/04	\$1,500	Election Fund of Richard J. Codey
10/12/04	\$3,000	Middlesex County Democratic Organization
10/14/04	\$5,000	Bergen County Democratic Organization
11/29/04	\$750	Senate Democratic Majority
3/28/05	\$1,000	Lautenberg 20 Years Committee
4/5/05	\$3,000	Menendez for Congress
6/14/05	\$1,000	Quinn for Council 2005
9/22/05	\$500	Sires for Congress
9/27/05	\$2,500	Democratic National Committee
12/9/05	\$750	Senate Democratic Majority

These contributions include partnership contributions, when appropriate, by my firm Windels Marx Lane & Mittendorf, LLP.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Honorary doctorate of humane letters from the New Jersey Institute of Technology.

2008 Jewish National Fund's Tree of Life Award.

2008 Rutgers University School of Law—Distinguished Alumnus Award.

2008 March of Dimes 32nd Annual Transportation and Construction Awards—Service to Humanity Award.

2007 Newark Regional Business Partnership Transportation Leader of the Year Award.

2007 Institute for Social Justice Corporate Leadership Award.

2006 Building Trades Employers Association Annual Leadership Award.

2004 New Jersey Alliance for Action Eagle Award.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

Speech, New Jersey Alliance for Action—Annual Governor's Transportation Conference, April 13, 2009.

Speech, Princeton University Woodrow Wilson School of Government, "Transportation and Infrastructure Issues for the Next Decade," March 6, 2009.

Infrastructure Unworthy of a Superpower, *The Star Ledger*, (Newark, New Jersey), November 10, 2008, Editorial.

Speech, Saint Peter's College Board of Regents 37th Annual Business Symposium, "Leadership and Accountability in Challenging Times," November 7, 2008.

Speech, Crain's New York Business Breakfast Forum, April 15, 2008 Speech, National Association of Industrial Office Parks Industrial Conference, April 2, 2008.

It Will Take Teamwork to Ease Flight-delay Epidemic, *The Star-Ledger* (Newark, New Jersey), June 19, 2007, Editorial.

Commencement Speech, New Jersey Institute of Technology, May 17, 2007.

Lower Manhattan on the Rebound, *The Record* (Bergen County, NJ), September 10, 2006, Opinion.

We Won't Be Able to Get There from Here, *The Star-Ledger* (Newark, New Jersey), July 16, 2006, Perspective.

Speech, Crain's New York Business Breakfast, June 13, 2006.

Concrete Partners, *The New York Times*, June 4, 2006, Section 14; Column 4; The City Weekly Desk.

Speech, New Jersey Alliance for Action, May 10, 2006.

Speech, Urban Land Institute, September 15, 2005.

Be Sure of What Comes to Our Shores, *The Star-Ledger* (Newark, New Jersey), December 22, 2004, Editorial.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

Provided oral testimony and submitted written statement for hearing on "The SAFE Port Act: One Year Later," The U.S. Senate Committee on Commerce, Science and Transportation, Washington, D.C., October 4, 2007.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I have considerable public sector experience relating to the travel and transportation industries generally and the rail business in particular. As Chairman of the Port Authority of New York and New Jersey, I have broad policy oversight responsibility in connection with the agency's varied transportation businesses and \$6.5 billion annual capital and operating budget. The Port Authority's transportation businesses include the busiest airport system in the world (including John F. Kennedy, Newark Liberty International, and LaGuardia Airports), four port facilities, and six interstate bridges and tunnels. Of particular relevance to the position for which I've been nominated, the Port Authority also operates the Port Authority Trans Hudson ("PATH") commuter rail system. The PATH system transports approximately 230,000 riders each weekday, and almost 75 million riders annually, between New York and New Jersey. During my tenure as Chairman, the Port Authority has dedicated significant agency resources to overhauling the 100-year-old PATH system. The Port Authority's ten-year capital plan includes \$3.3 billion for replacing the entire fleet of rail cars, replacing PATH's signal system; modernizing all 13 PATH stations in New York and New Jersey; and maintaining the PATH system in a state of good repair.

The Port Authority, in partnership with New Jersey Transit, is also building the Access to the Region's Core project ("ARC")—a new \$8.7 billion rail tunnel under the Hudson River and new rail station in midtown Manhattan. Once completed, ARC will double the commuter and intercity trains traveling to and from Manhattan to points westward; reduce congestion on local roads; result in improved air quality; and prompt transit-oriented development in the surrounding neighborhoods in New York and New Jersey.

In addition to my specific transportation-related experience, I also have served as a director and audit committee member of public agencies other than the Port Authority, as well as closely held corporations in the financial services, investment banking, real estate and manufacturing sectors. See answer to #19 below.

I wish to serve as an Amtrak director because I genuinely believe there America's global competitiveness in the years ahead requires the financing and development of an effective nationwide rail system. In the twenty-first century, the most successful economies feature expansive, efficient transportation systems. A national transportation plan requires making investments in new capital projects that expand

overall transportation capacity and provide meaningful transportation alternatives to road and air travel. At a regional level, these alternatives include, above all, investing in a vibrant intercity rail system. The benefits of such a system are numerous: it would help relieve congestion and improve mobility on America's highways and airways, reduce energy consumption and result in improved air quality and lower greenhouse gas emissions. Rail stations also serve as magnets for higher-density and compact transit-oriented development, resulting in further environmental benefits. In short, I wish to serve on Amtrak's board of directors because a vibrant intercity rail system is critical to America's economic future, and I believe I have the requisite qualifications to help Amtrak achieve that goal.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

If confirmed as an Amtrak board member, my responsibilities would include helping to establish Amtrak's management and accounting controls and monitoring whether Amtrak's procedures and regulations and executive staffs financial, management and operational decisions are in compliance with such controls. I would keep apprised of best practices relating to management and accounting controls in the rail industry and advance incorporation of such controls by Amtrak. I would discharge these responsibilities through attendance at meetings of the Amtrak board of directors and regular interaction, consultation and dialogue with Amtrak executive staff.

I presently serve as Chairman of the Port Authority of New York & New Jersey ("Port Authority"), the Nation's largest and oldest bi-state authority. The Port Authority builds and operates some of the most critical transportation and infrastructure facilities in the New York/New Jersey region—including the PATH commuter railroad system, five airports, four port facilities, and six interstate bridges and tunnels—and promoting the region's economic vitality. It is also the lead public agency in rebuilding the World Trade Center after the September 11 terrorist attacks and, in partnership with New Jersey Transit, the builder of a new commuter rail tunnel under the Hudson River. The agency currently employs more than 7,000 individuals across its different lines of business and its dedicated police force. As Chairman, I have broad policy oversight responsibility in connection with the agency's varied businesses and \$6.5 billion annual capital and operating budget. I am also responsible for advancing the mission and promoting the objectives of the Port Authority to the general public. I spearheaded the adoption of the agency's 10-year capital plan; the updated plan includes \$29.5 billion for substantial investment in and expansion of the region's transportation facilities. I also led the first major effort at the Port Authority in 26 years to amend the agency's by-laws; the amended and restated by-laws include a variety of measures intended to enhance the Port Authority's transparency and strengthen its management and accounting controls. Those measures include the establishment of a new board-level committee dedicated to enhancing the governance and ethics principles of the agency.

I am also a Partner and Executive Committee member of Windels Marx Lane & Mittendorf, LLP, one of the New York region's oldest law firms. I am also a member of the Firm's Corporate and Securities, Financial Transactions and Real Estate Practice Groups. My practice focuses primarily on corporate, commercial and real estate matters, with a concentration on the financial elements of these transactions. I represent financial institutions, investors and major corporations on a broad variety of matters, including corporate and real estate finance transactions, asset restructure and recovery, regulatory compliance, mergers and acquisitions and general litigation. In addition, I regularly advise real estate developers, private equity firms, technology companies, not-forprofit organizations and utilities. I also have specific experience in the area of redevelopment finance and have worked extensively on corporate governance issues.

From February 1992 to March 2003, I served as Chairman of the New Jersey Economic Development Authority ("NJEDA"), one of the largest state-sponsored development banks in the United States. The NJEDA, with more than \$2 billion in assets and \$14 billion in financing, is charged with strengthening the state's economic base and renewing communities through business expansion and attraction, job creation and retention and revitalization of underutilized properties.

I have also served as a director and audit committee member of several public and closely held corporations in the financial services, investment banking, real estate and manufacturing sectors.

20. What do you believe to be the top three challenges facing the department/agency, and why?

The top three challenges are:

1. Securing sufficient funding for Amtrak over the long term. Compared with other modes of travel like highways and aviation, rail has historically been underfunded in the Federal budget process and thus Amtrak has not been able to make the necessary capital improvements that would result in more effective and on-time service. The provision of Federal funds for Amtrak in the 2008 Passenger Rail Investment and Improvement Act of 2008 and the 2009 American Recovery and Reinvestment Act are significant advancements in developing a competitive passenger rail business in the United States. Maintaining sufficient levels of funding for Amtrak over the long term would enable it to develop a long-term capital investment plan that would ultimately result in better, more comprehensive passenger rail service throughout the country.

2. Persuading the public-at-large that commutation by rail is a meaningful alternative to driving or flying for short- or middle-distance travel. With the exception of the Northeast Corridor and limited areas on the West Coast, intercity passenger rail in the United States is not a viable option because it is non-existent, unreliable, and/or inefficient. As a result, commuters understandably choose to travel by road or air, leading to increasing congestion on those existing intercity corridors. A vibrant intercity rail system would help relieve congestion on the roads and in the air, resulting in higher economic productivity, fewer greenhouse gases, and less reliance on foreign sources of oil. The strongest evidence for this is that on the few intercity routes where air travel is available and Amtrak provides reliable service—*e.g.*, between New York and Washington, D.C. and between Los Angeles and San Diego—rail has captured the majority of the traveling population.

3. Improve transparency and accountability of Amtrak's board and management staff. In order to gain the trust of the general public and Congress, Amtrak's leadership must make every effort to conduct itself and the business of the agency as transparently as possible. The Passenger Rail Investment and Improvement Act of 2008 includes various measures that bolster regulatory oversight of Amtrak. However, Amtrak's leadership could undertake additional efforts to engender the public trust, *e.g.*, by advertise board meetings and making them open to the public; identifying the bases for making board-level decisions in public or executive session; and making board members and senior staff regularly available to answer inquiries from the general public and Congress.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

In accordance with the terms of the ethics agreement that I have entered into with Amtrak's designated ethics official and that has been provided to this Committee, I will continue to be a partner in the law firm of Windels Marx Lane & Mittendorf, LLP and a signatory to its Partnership Agreement under which I will be compensated based upon the Firm's legal practice and my contributions to it.

I am currently the beneficiary of retirement plans through the Windels Marx Lane & Mittendorf, LLP 401K Profit Sharing Plan and the Windels Marx Lane & Mittendorf, LLP Money Purchase Retirement Plan and Trust.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain.

Yes. In accordance with the terms of the ethics agreement that I have entered into with Amtrak's designated ethics official and that has been provided to this Committee, I will continue to be a Partner and Executive Committee member of the law firm of Windels Marx Lane & Mittendorf, LLP. Under the terms of the ethics agreement I will also continue in my position as Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey, which term expires July 2011.

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

In connection with the nomination process, I have consulted with the Office of Government Ethics and Amtrak's ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. 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.

In connection with the nomination process, I have consulted with the Office of Government Ethics and Amtrak's ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been 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.

Support adoption of comprehensive port security legislation (pending): testified before Senate Committee on Commerce, Science and Transportation regarding implementation of SAFE Port Act and maritime security generally; communicated with Members of Congress and spoke publicly in support of "Port Authority of New York/New Jersey Port Security Task Force Implementation Act of 2008"; led creation and convened meetings of Port Authority Port Security Task Force and issued Task Force report recommending various port security initiatives.

Support increased Federal funding of harbor deepening program: sent letters to Members of Congress in support of increased Federal funding for New York/New Jersey harbor deepening program.

Argue in opposition to airport slot auctions: made public statements in opposition to proposed FAA rule implementing slot auctions at New York area airports; met with members of prior Administration to express opposition to slot auctions; published Flight Delay Task Force report that, among other things, described Port Authority opposition to slot auctions.

Support increased Federal funding of a Next Generation air traffic control system: issued Flight Delay Task Force report that, among other things, described support for Next Generation technologies ("Next Gen"); spoke publicly at Port Authority-sponsored forum regarding Next Gen; made videotaped appeal for prospective members to join the Port Authority-led "National Alliance for Next Gen" advocacy group.

Support increased Federal funding for rail security: sent letters in support of Port Authority applications for Federal grants for various PATH security initiatives; spoke publicly about the need to focus more attention on rail security generally.

Support a national infrastructure bank: spoke at academic conference in favor of creation of national infrastructure bank.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with Amtrak's designated ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

I also note that both organizations where I am currently employed, Windels Marx Lane & Mittendorf, LLP and the Port Authority of New York and New Jersey, have robust ethics and recusal policies to avoid potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain: No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

Since 1990 I have been a partner of Windels Marx Lane & Mittendorf, LLP a law firm of more than 100 attorneys. While not an officer of the Firm, I am a member of its Executive Committee. WMLM is periodically a party to civil litigation in the ordinary course of its business, but I have not been personally involved in any such litigation.

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, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

RESUME OF ANTHONY R. COSCIA

Professional Experience

Port Authority of New York and New Jersey—*Chairman, Board of Commissioners*—April 2003 to Present, New York, New York.

Mr. Coscia has broad oversight responsibility in connection with the agency's transportation businesses and \$6.5 billion annual budget. He spearheaded adoption of the agency's 10-year \$29.5 billion capital plan, which provides for substantial expansion of the region's transportation facilities, including an historic investment of more than \$8 billion in mass transit rail initiatives. Mr. Coscia's principal aims include ensuring the safety and security of the Port Authority's facilities, improving the critical transportation networks between New York and New Jersey, increasing the transparency of the Board of Commissioners' decision-making process, promoting environmental sustainability as an agency goal, rebuilding the World Trade Center as a driving force for the region's economic recovery, and establishing a memorial to those lost in the September 11, 2001 terrorist attacks.

Windels Marx Lane & Mittendorf, LLP—*Partner and Member of Executive Committee*—1984 to Present—New York, New York.

Mr. Coscia's practice focuses on corporate, commercial and real estate matters, with a concentration on the financial elements of these transactions. He represents financial institutions, investors and major corporations for whom he has handled a broad variety of matters, including corporate and real estate finance transactions, asset restructure and recovery, regulatory compliance, mergers and acquisitions and general litigation. In addition, Mr. Coscia advises real estate developers, private equity firms, technology companies, not-for-profit organizations and utilities. He has specific experience in the area of redevelopment finance and has worked extensively on corporate governance issues. Mr. Coscia is admitted to the state bars of New York and New Jersey.

New Jersey Economic Development Authority—*Chairman, Board of Commissioners*—February 1992 to March 2003—Trenton, New Jersey.

Mr. Coscia served four different Governors in overseeing one of the largest state-sponsored development banks in the United States. The NJEDA, with more than \$2 billion in assets and \$14 billion in financing, is charged with strengthening the state's economic base and renewing communities through business expansion and attraction, job creation and retention and revitalization of underutilized properties. From January 1991 to February 1992, Mr. Coscia served as Executive Director of the NJEDA.

Education

Rutgers University School of Law (J.D., 1984).

Editor-in-Chief, Rutgers Computer and Technology Law Journal.

Georgetown University School of Foreign Service (B.S.F.S., International Economics, 1981)—*Phi Beta Kappa*.

Honors and Awards

Honorary doctorate of humane letters from the New Jersey Institute of Technology; 2008 Jewish National Fund's Tree of Life Award; 2008 Rutgers Law School—Newark Honoree; 2008 March of Dimes 32nd Annual Transportation and Construction Awards—Service to Humanity Award; 2007 Newark Regional Business Partnership Transportation Leader of the Year Award; 2007 Institute for Social Justice Corporate Leadership Award; 2006 Building Trades Employers Association Annual Leadership Award; 2004 New Jersey Alliance for Action Eagle Award.

Affiliations

Mr. Coscia is a member of The Partnership for New York City, The Economic Club of New York, and the New Jersey Performing Arts Center Council of Trustees, and serves as a trustee of the New Jersey Network Foundation and the New Jersey Community Development Corporation. He has also served as a director and audit committee member of several public and closely held corporations in the financial services, investment banking, real estate and manufacturing sectors.

ANTHONY R. COSCIA

Anthony R. Coscia was appointed Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey in April 2003. The Port Authority, founded in 1921, manages some of the most critical transportation and infrastructure facilities in the New York/New Jersey region—including the PATH commuter railroad, five airports, four port facilities, six interstate bridges and tunnels, two bus terminals, and the World Trade Center. As Chairman, Mr. Coscia has broad oversight responsibility in connection with the agency's varied transportation businesses and \$6.7 billion annual budget. He spearheaded adoption of the agency's 10-year capital plan, which provides for substantial expansion of the region's transportation facilities, including an historic investment of more than \$8 billion in mass transit rail initiatives. Mr. Coscia's principal aims as Chairman include ensuring the safety and security of the Port Authority's facilities, improving the critical transportation networks between New York and New Jersey, increasing the transparency of the Board of Commissioners' decision-making process, promoting environmental sustainability as an agency goal, rebuilding the World Trade Center as a driving force for the region's economic recovery, and establishing a memorial to those lost in the September 11, 2001 terrorist attacks.

From February 1992 to March 2003, Mr. Coscia served as Chairman of the New Jersey Economic Development Authority ("NJEDA"), one of the largest state-sponsored development banks in the United States. The NJEDA, with more than \$2 billion in assets and nearly \$20 billion in financing, is charged with strengthening the state's economic base and renewing communities through business expansion and attraction, job creation and retention and revitalization of underutilized properties.

Mr. Coscia is a Partner of Windels Marx Lane & Mittendorf, LLP, one of the New York region's oldest law firms, and is a member of the Firm's Executive Committee and Corporate and Securities, Financial Transactions and Real Estate Practice Groups. He has specific experience in the area of redevelopment finance and has worked extensively on corporate governance issues.

Mr. Coscia has served as a director and audit committee member of several public and closely held corporations in the financial services, investment banking, real estate and manufacturing sectors. He serves as a trustee of the New Jersey Network Foundation and the New Jersey Community Development Corporation and is a member of the New Jersey Performing Arts Center Council of Trustees, The Partnership for New York City and The Economic Club of New York.

Mr. Coscia is admitted to the state bars of New Jersey and New York. He is a Phi Beta Kappa graduate of the Georgetown University School of Foreign Service (B.S.F.S., 1981). He received his law degree from Rutgers University School of Law (J.D., 1984), where he served as Editor-in-Chief of the Rutgers Computer and Technology Law Journal. In 2007 he was awarded an honorary doctorate of humane letters from the New Jersey Institute of Technology.

Senator LAUTENBERG. Thank you.
Mr. DiClemente?

**STATEMENT OF ALBERT A. DiCLEMENTE, DIRECTOR-
DESIGNATE, AMTRAK BOARD OF DIRECTORS**

Mr. DiCLEMENTE. Mr. Chairman, I wish to thank the distinguished Senators from Delaware, Senator Carper for stopping by and Senator Kaufman for his kind and generous words and for his friendship all these many years.

Mr. Chairman, this nomination represents an enormous honor to me, and I am very appreciative and grateful for the opportunity to be considered to serve on the Amtrak Board.

I want to thank the President; my friend and former boss, Vice President Biden; Chairman Rockefeller; Ranking Member Hutchison; the distinguished Members of this Committee; and, of course, my family for their support and encouragement throughout the process.

Mr. Chairman, I am a believer in the critical role that Amtrak plays in the national transportation fabric of our country, and I am also fully aware of the importance of Amtrak in my home State of Delaware, where a number of key Amtrak facilities currently reside. I am hoping for and looking forward to the opportunity to work with the 19,000 men and women who are currently part of the Amtrak family.

Over the years, I have had the pleasure of meeting a number of those employees. I met them while working for then-Senator Biden, during our regular trips to the Amtrak shops in Wilmington, Delaware. And I also recall, as a small boy, meeting many of them when I would go to the Wilmington shops to meet with my dad.

Mr. Chairman, my father worked for the railroads his whole life and retired from Amtrak in 1976. He was a master blacksmith and welder and took great pride in his work, as did the other craft members in the Wilmington shops. I was always struck by their camaraderie and their commitment to the very difficult and demanding work at hand.

It was not just because of the money or the working conditions, which were spartan at best, but rather the commitment they had to the mission of safe and reliable travel for their fellow Americans and a commitment to one another. They were family, Mr. Chairman, part of the Amtrak family. They looked after one another from a safety perspective and believed in each other from a mission standpoint.

Mr. Chairman, I would welcome the opportunity to work with these dedicated women and men of Amtrak. And I believe, to the core of my being, that Amtrak's best days lie ahead of us. There is much work that needs to be done to meet the many challenges, and I am honored to have the opportunity to be part of the team that hopefully will face those challenges and help lead Amtrak as a world-class transportation system.

Mr. Chairman, Amtrak has always held a special place in my heart and, indeed, is part of my DNA. I am looking forward to being of service to the mission of Amtrak, and if confirmed, I would welcome the opportunity to serve on the Board.

Thank you, Mr. Chairman, for the time and consideration of my nomination, and I look forward to answering any questions you and the Committee may have.

Thank you.

[The prepared statement and biographical information of Mr. DiClemente follows:]

PREPARED STATEMENT OF ALBERT A. DiCLEMENTE, DIRECTOR-DESIGNATE,
AMTRAK BOARD OF DIRECTORS

Thank you, Mr. Chairman.

This nomination represents an enormous honor to me, and I am very appreciative and grateful for the opportunity to be considered to serve on the Amtrak board. I want to thank the President—my friend and former boss, Vice President Biden—Chairman Rockefeller, Ranking Member Hutchison, the distinguished members of this committee—and of course my family for all their support and encouragement throughout this process.

Mr. Chairman, I am a believer in the critical role that Amtrak plays in the national transportation fabric of our country. I am also fully aware of the importance of Amtrak in my home state of Delaware, where a number of key Amtrak facilities currently reside. I am hoping for and looking forward to the opportunity to work with the 19,000 men and women who are currently part of the Amtrak family.

Over the years, I have had the pleasure of meeting a number of those employees. I met them while working for then, Senator Biden, during our regular trips to the Amtrak shops in Wilmington, Delaware. I also recall as a small boy, meeting many of them, when I would go to the Wilmington shops to meet my dad. My father worked for railroads his whole life, and retired from Amtrak in 1976. He was a master blacksmith and welder, and took great pride in his work—as did the other craft members in the Wilmington shops. I was always struck by their camaraderie and their commitment to the very difficult and demanding work at hand. It was not just because of the money or the working conditions, which were spartan at best, but rather the commitment they had to the mission of safe and reliable travel for their fellow Americans—and a commitment to one another. They were a family, Mr. Chairman—part of the Amtrak family. They looked after one another from a safety perspective, and believed in each other from a mission standpoint.

Mr. Chairman, I would welcome the opportunity to work with these dedicated women and men of Amtrak. I believe to the core of my being that Amtrak's best days lie ahead of us. There is much work that needs to be done to meet these challenges and I am honored to have the opportunity to be part of the team that will face those challenges and help lead Amtrak as a world class transportation system.

Mr. Chairman, Amtrak has always held a special place in my heart, and indeed, is part of my DNA. I am looking forward to being of service to the mission of Amtrak, and, if confirmed, I would welcome the opportunity to serve on the Board.

Thank you, Mr. Chairman, for your time and consideration of my nomination and I look forward to answering any questions you and the Committee may have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used):
Albert A. DiClemente.
Nickname—Bert.
2. Position to which nominated: Director, National Railroad Passenger Corporation.
3. Date of Nomination: November 10, 2009.
4. Address (list current place of residence and office addresses):
Residence: Information not released to the public.
Office: 1007 N. Orange Street, Suite 100, Wilmington, DE 19801.
5. Date and Place of Birth: July 12, 1944; Philadelphia, PA.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).
Elizabeth J. DiClemente—spouse—retired, RN.
Children: Matthew R. DiClemente—39 years old; Brett A. DiClemente—37 years old; Ryan L. DiClemente—32 years old.
7. List all college and graduate degrees. Provide year and school attended.
University of Delaware—1967—BA in Political Science.

8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

1967–1970—Reliance Insurance Company—Management Trainee Program.

1970–1977—Patterson Schwartz & Associates—opened and managed a new real estate brokerage office in Newark, DE.

1977–1997—United States Senator Joseph R. Biden Jr.—State Director. Managed the Delaware operations which consisted of 3 offices throughout the state. Responsible for both the issues and the politics of concern to the state of Delaware.

1997–1998—Jackson Cross & Associates—Associate Director—Commercial Real Estate, brokerage division (Acquired by Insignia/ESG).

1998–2003—Insignia/ESG—Director—Commercial Real Estate, brokerage division (Acquired by CB Richard Ellis, Inc.).

2003–Present—Vice President CB Richard Ellis, Inc.—Commercial Real Estate, brokerage division. Work with major corporations in the tri-state region to help solve their commercial real estate needs.

9. Attach a copy of your résumé. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.

N/A.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years: Vice-President, CB Richard Ellis.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Please note whether any such club or organization restricts membership on the basis of Sex, race, color, religion, national origin, age, or handicap.

Former member of the United Way—cabinet member.

Former member of the Wilmington Rotary.

Former National Committeeman for the Democratic Party of Delaware.

Former member of Salesianum School Development Committee.

Former member of the Board of Directors of Community Housing Inc.

Member of the Board of Directors of Cavaliers Country Club

Member of the Board of Directors of the Commercial Industrial Realty Council (CIRC).

Member of the Board of Directors of the Bethel Temple Community Development Fund.

Member of the Board of Directors of the Columbus Day Breakfast.

Member of the Society of Industrial and Office Realtors (SIOR).

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt.

I was elected by the Delaware Democratic Party to serve as their National Committeeman for the State of Delaware. There was neither a campaign, nor funds raised. I served in that capacity from 2000–2004.

14. Itemize all political contributions to any individual, campaign organization, political Party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

I served as the Delaware National Committeeman from 2000–2004.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals and any other special recognition for outstanding service or achievements: N/A.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed: N/A.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony: N/A.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

Amtrak is an important component in the state of Delaware's work force, and as such, while serving as Senator Biden's State Director, we were very responsive to the needs and growth of this entity. Amtrak is an under utilized resource that needs to be expanded and modernized to meet the demands of the new century. I have met with and worked with the local Amtrak leadership in Delaware, and I would welcome that opportunity to do so on a national basis.

Additionally, my father spent his entire career working for the railroads, so I feel like I have grown up with the railroad, and have great respect and appreciation for their mission.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

Long-range strategic direction and oversight should be the mission of the Board. While working for 20 years with then Senator Joseph R. Biden, Jr., we would regularly meet with and assist major corporations throughout our state. Additionally, in my current assignment as vice president with the real estate corporation CB Richard Ellis, I work with major corporations on a regular basis and assist them in solving problems.

20. What do you believe to be the top three challenges facing the department/agency, and why?

- (1) Continue modernization of the Amtrak fleet requiring a 21st century rail service throughout the United States.
- (2) expand the rail service that is presently in the northeast corridor to other Major metropolitan areas from the mid West to the far West.
- (3) Bring quality service within budget throughout the system while ensuring environmental safeguards.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

IRA account through CB Richard Ellis.

IRA account through Christiana Care—(spouse).

Assorted investment opportunities through Waveland Venture Capital Civil Service Retirement.

2. Do you have any commitments or agreements, formal or informal, to maintain Employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain.

In accordance with the terms of the ethics agreement that I have entered into with Amtrak's designated agency ethics official and that has been provided to this Committee, I will continue to be employed with CB Richard Ellis, in the commercial brokerage division, where I currently have the title of Vice President.

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

In connection with the nomination process, I have consulted with the Office of Government Ethics and Amtrak's ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. 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.

In connection with the nomination process, I have consulted with the Office of Government Ethics and Amtrak's ethics official to identify potential conflicts of in-

terest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been 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: N/A.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Amtrak's designated ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain.

I was a named party in a suit between Synthes USA and CB Richard Ellis, Inc. that was resolved in January of 2009, with a Stipulation of Dismissal of Claims. An out of court settlement was agreed to, on a matter involving the Coastal Zone Act in Delaware. I was named in this suit in my official capacity only. I had no personal involvement in the litigation, which was handled by CB Richard Ellis.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

No—other than noted above in C-1.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) or any criminal violation other than a minor traffic offense? If so, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

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

N/A.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

RESUME OF ALBERT (BERT) A. DICLEMENTE

Professional Experience

CB Richard Ellis, Inc., Wilmington, DE 19801—*Vice President, Commercial Real Estate Broker—2003–Present.*

Insignia/ESG, Wilmington, DE 19801—*Director—1998–2003. (Acquired by CB Richard Ellis, Inc.).*

Jackson Cross & Associates, Wilm., DE 19801—*Associate Director—1997–1998. (Acquired by Insignia/ESG).*

Responsible for leasing and selling of commercial real estate; Society of Industrial and Office Realtors (SIOR) dual designation Industrial and Office Real Estate; represents a number of national Fortune 500 Companies as well as prominent regional and local institutions.

Former United States Senator Joseph R. Biden, Jr.,—Wilmington, DE 19801—*State Director—1977–1997.*

Responsible for three statewide senate offices; senior staff advisor on all issues and policies related to Delaware's interests; represented Senator Biden at numerous political, civic, and social functions; worked on behalf of Delaware citizens and corporations to resolve problems or disputes with Federal, state, county, and city agencies.

Patterson Schwartz & Associates, Newark, DE 19711—*Manager, Real Estate Broker—1970–1977.*

Responsible for establishing a new office in Newark, DE and managing sales force.

Education

University of Delaware, Newark, DE.

Bachelor of Arts Degree in Political Science.

Society of Industrial and Office Realtors (SIOR) Commercial Real Estate Certification.

Graduate of the Real Estate Institute, (G.R.I.) Residential Real Estate Certification.

Professional/Community Affiliations

Licensed Real Estate Broker in Delaware, Pennsylvania, and Maryland.

United Way of Delaware, former Cabinet Member.

National Committeeman for Democratic Party of Delaware, former Member.

Wilmington Rotary, former Member.

Board of Directors Member of Commercial Industrial Realty Council.

Board of Directors Cavaliers Country Club.

Board of Directors Bethel Temple Community Development Corp.

Board of Directors Salesianum Development Fund, former Member.

Board of Directors Community Housing, Inc., former Member.

Senator LAUTENBERG. Thank you.

And Dr. Rosekind?

STATEMENT OF MARK R. ROSEKIND, MEMBER-DESIGNATE, NATIONAL TRANSPORTATION SAFETY BOARD

Dr. ROSEKIND. Thank you.

Senator Lautenberg, Chairman Rockefeller, Ranking Member Hutchison, and members of the Committee, I am honored to speak with you today and appreciate the opportunity to make a few comments about the NTSB and to address any questions that you may have.

First, I would like to thank President Obama for nominating me to be a Member of the National Transportation Safety Board. Before I begin, please let me introduce some special people that are joining us today—my wife, Dr. Debra Babcock, who is a Pediatrician in the San Francisco Bay area, is joining us. And viewing in California are my son, Aaron; my daughter, Eve; my mother, Marilyn Rosekind; and my mother-in-law, Lila Babcock.

I also would like to thank the other colleagues and friends who have joined us today, especially those from the NTSB, including Chairman Hersman.

The primary mission of the NTSB is to enhance transportation safety, which touches everyone's life in some way and provides an invaluable contribution to the American people. Today, the NTSB is challenged by an ever-changing world. Global, around-the-clock transportation demands continue to increase, operations change to meet these demands, and technology rapidly advances.

Given these ongoing changes in the transportation system, it is critical that the NTSB continually evolves and enhances its knowledge, capabilities, and expertise. Chairman Hersman has already provided a vision and initiated actions that acknowledge these issues. She has challenged the men and women of the NTSB to “raise the bar” and specifically has identified transparency, accountability, and integrity as initial areas for action.

It is important to all Americans that the NTSB remains a leading edge resource in its never-ending responsibility to enhance transportation safety. If confirmed, I look forward to collaboration with the NTSB’s outstanding professionals to pursue every avenue possible to improve the agency’s effectiveness and value.

The classic description of the NTSB is that it is the premier accident investigation and recommendation agency in the world. For more than 40 years, this world-class reputation has been built upon the NTSB’s hard work to reach meaningful outcomes and consistently exceed its mission objectives.

In my interactions with the NTSB over the past 15 years, it is clear that like any great institution, the men and women who comprise the agency’s extraordinary staff are the core of its success. Every day, these 400 professionals pursue their work and their passion to enhance transportation safety. They are truly the heart and soul of the agency.

They understand the unique role of the NTSB as an independent agency. They understand the unique role of the NTSB as an independent and nonregulatory agency tasked with enhancing transportation safety through meticulous investigations, fact-based and thoughtful recommendations, and the strategic use of its other available tools.

The NTSB’s success in achieving its mission is meaningful far beyond its findings and recommendations. Its efforts translate into highly critical and personal terms, the opportunity to prevent injuries and save lives. It is this objective that drives the men and women of the NTSB to pursue and achieve their mission.

Recently, the Board’s professionals voted it as one of the best places in Government to work. Obviously, for many, contributing to the NTSB’s mission is their dream job. If allowed to serve as a member on the NTSB, I, too, will have achieved my dream job.

My own passion has been to study human fatigue and apply scientific knowledge to improve performance and safety in diverse settings, including all modes of transportation. Fatigue has been on the NTSB’s Most Wanted List since the list was created in 1990. Clearly, over the years, the NTSB’s findings and my professional endeavors have led us to the same conclusion—that effectively managing fatigue is a critical factor in human performance and transportation safety.

If confirmed, I pledge to President Obama, this Senate committee, Congress, the men and women of the NTSB, and, most importantly, the American people that I will contribute all of my energy, knowledge, and expertise to further enhance transportation safety. If permitted to serve as a Member of the National Transportation Safety Board, it would be a tremendous professional and personal honor to contribute in any way possible to the vital mission of this invaluable agency.

Thank you, and I would be pleased to address any questions.
 [The prepared statement and biographical information of Dr. Rosekind follows:]

PREPARED STATEMENT BY MARK R. ROSEKIND, MEMBER-DESIGNATE,
 NATIONAL TRANSPORTATION SAFETY BOARD

Chairman Rockefeller, Ranking Member Hutchison, and members of the Committee, I am honored to speak with you today and appreciate the opportunity to make a few comments about the NTSB and to address any questions that you may have. First, I would like to thank President Obama for nominating me to be a Member of the National Transportation Safety Board (NTSB).

Before I begin, please let me introduce some special people joining us today: my wife, Dr. Debra Babcock, and viewing in California are my son, Aaron; my daughter, Eve; my mother, Marilyn Rosekind; and my mother-in-law, Lila Babcock. I also would like to thank the other colleagues and friends who have joined us today, including those from the NTSB.

The primary mission of the NTSB is to enhance transportation safety, which touches everyone's life in some way and provides an invaluable contribution to the American people. Today, the NTSB is challenged by an ever-changing world: global, around-the-clock transportation demands continue to increase, operations change to meet these demands, and technology rapidly advances. Given these ongoing changes in the transportation system, it is critical that the NTSB continually evolves and enhances its knowledge, capabilities, and expertise. Chairman Hersman has already provided a vision and initiated actions that acknowledge these issues. She has challenged the men and women of the NTSB to "raise the bar" and has specifically identified transparency, accountability, and integrity as initial areas for action. It is important to all Americans that the NTSB remains a leading-edge resource in its never-ending responsibility to enhance transportation safety. If confirmed, I look forward to collaboration with the NTSB's outstanding professionals to pursue every avenue possible to improve the Agency's effectiveness and value.

The classic description of the NTSB is that it is 'the premier accident investigation and recommendation agency in the world.' For more than 40 years, this world-class reputation has been built upon the NTSB's hard work, to reach meaningful outcomes and consistently exceed its mission objectives. In my interactions with the NTSB over the past 15 years, it is clear that like any great institution, the men and women who comprise the agency's extraordinary staff are the core of its success. Every day, these 400 professionals pursue their work and their passion to enhance transportation safety; they are truly the heart and soul of the agency. They understand the unique role of the NTSB as an independent and non-regulatory agency tasked with enhancing transportation safety through meticulous investigations, fact-based and thoughtful recommendations, and the strategic use of its other available tools. The NTSB's success in achieving its mission is meaningful far beyond its findings and recommendations; its efforts translate into highly critical and personal terms: the opportunity to prevent injuries and save lives. It is this objective that drives the men and women of the NTSB to pursue and achieve their mission. Recently, the Board's professionals voted it as one of the best places in government to work; obviously, for many, contributing to the NTSB's mission is their "dream job."

If allowed to serve as a Member on the NTSB, I too will have achieved my "dream job." My own passion has been to study human fatigue and apply scientific knowledge to improve performance and safety in diverse settings, including all modes of transportation. Fatigue has been on the NTSB's Most Wanted List since its inception in 1990. Clearly, over the years the NTSB's findings and my professional endeavors have led us to the same conclusion: that effectively managing fatigue is a critical factor in human performance and transportation safety.

If confirmed, I pledge to President Obama, this Senate Committee, Congress, the men and women of the NTSB, and, most importantly, the American people that I will contribute all of my energy, knowledge, and expertise to further enhance transportation safety. If permitted to serve as a Member of the National Transportation Safety Board, it will be a tremendous professional and personal honor to contribute in any way possible to the vital mission of this invaluable agency.

Thank you and I would be pleased to address any questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Mark Ralph Rosekind.
2. Position to which nominated: Member, National Transportation Safety Board.
3. Date of Nomination: October 1, 2009.
4. Address (List current place of residence and office addresses):
 Residence: Information not released to the public.
 Office: Alertness Solutions, 1601 S. De Anza Blvd., Ste. 200 Cupertino, CA 95014.
5. Date and Place of Birth: February 1, 1955; San Francisco, CA.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).
 Spouse: Debra A. Babcock, M.D. (pediatrician), Altos Pediatrics, Los Altos, CA;
 children: son—Aaron A. Rosekind (22 years old); daughter: Eve M. Rosekind (15 years old).
7. List all college and graduate degrees. Provide year and school attended.
 A.B., Stanford University, Stanford, CA, 1977.
 M.S., Yale University, New Haven, CT, 1982.
 M.Phil., Yale University, New Haven, CT, 1983.
 Ph.D., Yale University, New Haven, CT, 1987.
8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.
All previous employment relevant to nominated position.
 Research Director, Sleep Research Facility and Chief, Drug Evaluation Program, Stanford Sleep Disorders Clinic and Research Center, Department of Psychiatry, Stanford University School of Medicine, 1977—1979.
 Research Coordinator, Yale Psychophysiology Center, Department of Psychology, Yale University, 1982—1984.
 Director, Sleep Laboratory, Yale Psychophysiology Center, Department of Psychology, Yale University, 1982—1987.
 Director, Center for Human Sleep Research, Stanford Sleep Disorders Center and Research Associate, Department of Psychiatry, Stanford University School of Medicine, 1989—1990.
 Research Scientist and Team Leader, Fatigue Countermeasures Program, Aviation Safety Research Branch, Flight Management and Human Factors Division, NASA Ames Research Center, Moffett Field, CA. December 1990—November 1997.
 Chief, Aviation Operations Branch, Flight Management and Human Factors Division, NASA Ames Research Center, Moffett Field, CA. January, 1996—April, 1997.
 President and Chief Scientist, Alertness Solutions, Cupertino, CA, 1997—present.
9. Attach a copy of your resume. A copy is attached.
10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.
 Provide consultation on fatigue factors in accident investigations and resource for current fatigue-related scientific research to National Transportation Safety Board (NTSB) staff. 1998—present.
 Co-developed and co-teach a two-day NTSB Training Center course on examining fatigue factors in an accident investigation. 2004—present.
 Board Member, National Scientific Advisory Board, Patient Safety Center of Inquiry, Palo Alto Veterans Administration Health Center, Palo Alto, CA, 1998—present.
11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Board Member, National Sleep Foundation, 2000–2007.

Member, Executive Council, Harvard Division of Sleep Medicine, 2001–2006.

Scientific Advisory Board Member, Air Force Office of Scientific Research, PRET Center on Countermeasures for Jet Lag and Sleep Deprivation. Principal Scientific Investigators: Dr. David Dinges, University of Pennsylvania, Dr. Charles Czeisler, Harvard University, and Dr. Dale Edgar, Stanford University, 1998–2005.

Advisory Board, School of Sleep Medicine, Palo Alto, CA. 1990–present.

Member, Flight Safety Foundation Corporate Advisory Committee, 1996–2006.

Member, American Transportation Research Institute Research Advisory Committee, 2001–2004.

Chairman, Alertness Management Initiative Scientific Advisory Board, Air Transport Association, 2000–2005.

Board Member, Los Altos Educational Foundation, Los Altos, CA, 1997–2004.

Board of Trustees, Menlo School, Atherton, CA, 2007–present.

President/Owner, Alertness Solutions, 1997–present.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Member, Sleep Research Society, 1977–present (no restrictions).

Member, Aerospace Medical Association, 1992–present (no restrictions).

Member, Aerospace Medical Association, Aerospace Human Factors Association, 1993–present (no restrictions).

Member, International Brotherhood of Magicians, 1974–present (no restrictions).

Honorary Life Member, The Magic Castle, 1993–present (no restrictions).

Member, Fremont Hills Country Club, 1999–2007 (no restrictions).

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period: None.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Sigma Xi (The Scientific Research Society).

A.B., Honors in Psychology, Stanford University, 1977.

Yale University Fellowship, 1980–1983.

Prize Teaching Fellowship, Yale University, 1983–1984.

NASA Ames Honor Award for Excellence in the category of Group, 1992.

NASA Group Achievement Award, 1993.

Honorary Life Member, Academy of Magical Arts, Magic Castle, 1993.

NASA Exceptional Service Medal, 1995.

Flight Safety Foundation Presidential Citation for Outstanding Safety Leadership, 1997.

Flight Safety Foundation Business Aviation Meritorious Award, 1999.

Fellow, World Economic Forum, Annual Meeting, Davos, Switzerland, 1999, 2000.

NASA Ames Honor Award for Excellence in the category of Group/Team, 2003.

NASA Turning Goals into Reality (TGIR), Exceptional Progress Toward Support of MER Ups, Office of Aerospace Technology, 2003.

NASA Headquarters Award for Group Achievement for the Mars Exploration Rover Mission System Development Team, 2004.

William E. Collins Award, Outstanding Human Factors Publication of the Year, Aerospace Human Factors Association, 2007.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

[These lists are retained in the Committee's files.]

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

Hearing on: Federal Railroad Administration Reauthorization: Human Factors Issues. Testimony provided to Committee on Transportation and Infrastructure, Committee on Transportation, U.S. House of Representatives, Subcommittee on Railroads, Washington, D.C., April 29, 1998.

Managing Fatigue in Transportation: No Magic Bullet. Hearing on: Fatigue and Its Safety Effects on the Commercial Motor Vehicle and Railroad Industries, U.S. Senate, Committee on Commerce, Science, and Transportation, Subcommittee on Surface Transportation and Merchant Marine, Washington, D.C., September 16, 1998.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

Fatigue and human factors expertise—Fatigue has been on the NTSB Most Wanted List since its inception and will remain a complex and challenging transportation issue in all modes. My internationally recognized expertise in human fatigue spans diverse scientific, investigation, policy, education, countermeasures, and applied areas. For 15 years, my collaborations with the NTSB have included Co-chairing the first multi-modal symposium on fatigue in transportation, developing a scientifically-based structured approach to examining fatigue factors in accident investigations, co-teaching an NTSB course on determining the role of fatigue in accidents, and providing ongoing support and input to fatigue related issues. Current accidents continue to highlight the ongoing and dangerous role that fatigue plays in transportation accidents. There is the opportunity for me to contribute my expertise directly, immediately, and substantially to NTSB efforts related to fatigue.

Human factors remain a cause of transportation accidents and will continue to contribute significantly in all modes. Beginning at NASA, my interests and expertise have expanded to include diverse human factors issues, including performance, automation and technology, education and training, human-machine interactions, and operational systems. As Chief of a human factors branch at NASA, there was the opportunity to guide and advance basic and applied efforts to understand the role of human factors in transportation operations. This is another area where my expertise can contribute immediately and in a substantial manner to the well-established and excellent human performance efforts already ongoing at the NTSB.

Scientific training and experience—Conducting excellent science parallels an accident investigation (the core of the NTSB's mission and activities): generate hypotheses, collect and analyze data, interpret findings, and apply the results. With 30 years of scientific experience, my proven skills and expertise fit directly into the NTSB's objectives and can contribute immediately to the Board's efforts. My academic/scientific experience also provides a complementary perspective, network, and approach that can add to the current engineering and investigation strengths already well established at the NTSB. My scientific experience and specific fatigue/human factors expertise can provide significant and meaningful contributions to a broad range of NTSB activities.

Another parallel between my scientific expertise and the Board's activities is that they both require, and are based on, using a neutral, objective, and independent approach. This approach is a critical foundation to ensure the most accurate and useful findings will become the basis of subsequent recommendations.

Academic/NASA/real-world application experience—My career has benefited tremendously from conducting scientific research in premier academic institutions, leading an internationally recognized NASA program that integrated research and application, and providing real-world solutions to challenging fatigue issues in diverse 24/7 operational settings all over the world. These diverse experiences have provided a unique opportunity to hone an integrated scientifically based expertise that has been informed and challenged by addressing complex real-world issues. The

combination of experience and knowledge gained through these different perspectives and activities has provided a unique set of skills and expertise that can contribute to many diverse NTSB efforts.

Multi-modal experience—Fatigue and human factors issues cross all modes of transportation. Therefore, my expertise has been relevant and applied in diverse 24/7 operational settings all over the world and in all modes of transportation. This has provided an opportunity for me to learn about, and work in, all transportation modes with exposure to the similarities and significant differences across modes. While there is a significant NTSB emphasis on aviation (a specific area of expertise initiated during my NASA years), the Safety Board is charged with accident investigations in all modes of transportation. My experiences in highway/trucking, rail, marine, pipeline and aviation provide a broad multi-modal perspective that will add further to the contributions that I can make to NTSB activities.

Greatest opportunity to enhance transportation safety—The classic statement used to describe the NTSB is: 'The NTSB is the premier accident investigation and recommendation organization in the world'. The NTSB has earned this reputation through extremely hard work and the expertise of a dedicated, outstanding staff that maintains its independence and addresses the most complex challenges in transportation safety. The NTSB operates in a unique situation allowing it to confront highly technical and very human issues all in the pursuit of the most valuable objective: to enhance transportation safety, which translates into saving lives and reducing injuries. There is no greater opportunity to benefit and enhance transportation safety than through the efforts of the NTSB. My entire career has been focused on human performance and safety and the ultimate opportunity to contribute my knowledge and expertise to improve transportation safety is as a Member of the NTSB. It would be a tremendous honor and privilege to serve President Obama, the Senate Commerce, Science, and Transportation Committee, the Congress and, most importantly, the American people to ensure that the U.S. transportation system maintains the highest level of safety.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

If confirmed, I will fully support the Chairman and others to ensure that the NTSB has proper management and accounting controls in place and functioning effectively. My experience portrayed in Question #8 will be contributed however needed.

20. What do you believe to be the top three challenges facing the department/agency, and why?

1. *Maintain and enhance excellence*—Transportation operations will continue to evolve and will require a parallel evolution in the approach, expertise, and outcomes of the NTSB. Societal demand and transportation needs will continually change to meet the varied requirements of our 24/7 global society. Operations will evolve to meet the changing transportation demands and there will be continuing technological advancements. Together, changing demand, operations, and technology, will require that the NTSB evolve to maintain its established excellence in accident investigation and providing recommendations. This will involve an ongoing effort to maintain knowledge, expertise, and resources to address these changes and their role in transportation safety and accidents. Clearly, the critical work of the NTSB will never be done: there always will be the need to determine the causes of accidents in an evolving transportation system and to provide recommendations to reduce or eliminate future occurrences. Therefore, beyond just "maintaining" its established excellence, the NTSB will be challenged to evolve and enhance its expertise to match and exceed the complexities of an ever-changing transportation system.

2. *Recommendations must lead to action*—There are two complementary and critical elements of the NTSB's most basic mission: (1) to investigate the causes of transportation accidents and (2) to provide recommendations to address the probable cause and contributing factors. Over 80 percent of NTSB recommendations have been enacted and represent tangible, meaningful changes that enhance transportation safety. However, almost 20 percent of NTSB recommendations remain open or with unsatisfactory actions. In real terms, the NTSB has made over 12,000 safety recommendations since its creation and therefore, about 2,400 recommendations have not been satisfactorily addressed.

Therefore, an ongoing challenge for the NTSB is to see that safety recommendations lead to action. Given the NTSB's role in investigation and making recommendations, it is the responsibility of other parties to enact its recommenda-

tions. The NTSB “Most Wanted” List, providing visibility for ongoing safety issues, and tracking open actions are some examples of strategies and tools that emphasize the importance of action. However, building on these efforts and expanding into new, innovative approaches that encourage the enactment of NTSB recommendations will further enhance transportation safety and the value of NTSB investigations and recommendations.

3. *Prevention*—An important outcome of NTSB investigations is to identify the probable cause and contributing factors in an accident with the objective to provide recommendations that can prevent the event from reoccurring. While understanding the causal and contributing factors is important, the recommendations are critical for actions to be undertaken. Prevention is the intended outcome of making recommendations and enacting changes that will improve transportation safety.

An interesting challenge for the NTSB identified previously is to enhance efforts that encourage enactment of NTSB recommendations. However, the NTSB also conducts safety studies, holds hearings, and issues safety warnings as other mechanisms to identify and recommend changes to improve transportation safety. Building on current NTSB activities and approaches, new efforts that promote prevention can be explored and tested to evaluate their effectiveness. Based on the NTSB’s strong foundation of current and successful efforts on prevention, there may be opportunities to expand activities that will enhance the use and value of NTSB findings (from all of its activities). An expanded focus and effort on prevention activities could significantly multiply the implementation of recommendations and actions, all with the intent of reducing accidents and enhancing transportation safety.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I have no financial arrangements, deferred compensation agreements or other continuing dealings with business associates, clients or customers. The 401(k) retirement program that I have established through my consulting business, Alertness Solutions, Inc., consists of my own investments in bond funds and mutual funds that are listed on my SF-278.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain: No.

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

In connection with the nomination process, I have consulted with the Office of Government Ethics and the NTSB’s designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the NTSB’s designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. 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.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the NTSB’s designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the NTSB’s designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been 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: None.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the NTSB’s designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain: No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

In 2001, I was named as a defendant in a patent lawsuit against the Stanford sleep center, where I worked. There was no complaint of personal wrongdoing on my part. I had no involvement in the litigation, which was handled by Stanford University, and I am not aware of the disposition of the suit.

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, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. 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.

RESUME OF MARK R. ROSEKIND, PH.D.

Education

A.B., Psychology, Stanford University, Stanford, CA, 1977.

M.S., Psychology (Psychophysiology/Clinical), Yale University, New Haven, CT, 1982.

MPhil., Psychology (Psychophysiology/Clinical), Yale University, New Haven, CT, 1983.

Ph.D., Psychology (Psychophysiology/Clinical), Yale University, New Haven, CT, 1987.

Current Position

President and Chief Scientist, Alertness Solutions, Cupertino, CA, 1997–present.

Previous Nasa Positions

Research Scientist and Team Leader, Fatigue Countermeasures Program, Aviation Safety.

Research Branch, Flight Management and Human Factors Division, NASA Ames.

Research Center, Moffett Field, CA. December, 1990–November, 1997.

Chief, Aviation Operations Branch, Flight Management and Human Factors Division, NASA Ames Research Center, Moffett Field, CA. January, 1996–April, 1997.

Honors and Awards

Sigma Xi.

A.B., Honors in Psychology, Stanford University, 1977.

Yale University Fellowship, 1980–1983.

Prize Teaching Fellowship, Yale University, 1983–1984.

NASA Ames Honor Award for Excellence in the category of Group, 1992.

NASA Group Achievement Award, 1993.
 Honorary Life Member, Academy of Magical Arts, Magic Castle, 1993.
 NASA Exceptional Service Medal, 1995.
 Flight Safety Foundation Presidential Citation for Outstanding Safety Leadership, 1997.
 Flight Safety Foundation Business Aviation Meritorious Award, 1999.
 Fellow, World Economic Forum Annual Meeting, Davos, Switzerland, 1999, 2000.
 NASA Ames Honor Award for Excellence in the category of Group/Team, 2003.
 NASA Turning Goals into Reality (TGIR) Exceptional Progress Toward Support of MER Ops, Office of Aerospace Technology, 2003.
 NASA Headquarters Award for Group Achievement for the Mars Exploration Rover Mission System Development Team, 2004.
 William E. Collins Award, Outstanding Human Factors Publication of the Year, Aerospace Human Factors Association, 2007.

Academic Appointments

Lecturer, Departments of Psychology and Psychiatry, Yale University and Yale University School of Medicine, 1986–1987.
 Research Associate, Department of Psychiatry, Stanford University School of Medicine, 1989–1990.
 Research Associate, Stanford Center of Excellence, Department of Psychology, Stanford University, 1990.
 Acting Assistant Professor, Department of Human Biology, Stanford University, January–March, 1993–1995.

Professional Training

Predoctoral Clinical Fellowship, Department of Psychiatry, Yale University School of Medicine and Yale-New Haven Hospital, July, 1984–June, 1985.
 Research Fellowship in Sleep and Chronobiology, E.P. Bradley Hospital, Department of Psychiatry and Human Behavior, Brown University Program in Medicine, 1987–1989.

Editorial Activities

Ad Hoc Reviewer: *Psychophysiology*; *Health Psychology*; *American Journal of Diseases of Children*; *Psychiatric Research*; *Pediatrics*; *EEG Journal*; *Plenum Press*; *Sleep*; *Sleep Research*; *Journal of the American Geriatrics Society*; *Psychological Bulletin*; *Aviation Space and Environmental Medicine*.
 Editorial Board, Journal of Sleep and Sleep Disorders Research, January, 2004–present.

Professional Affiliations

Sleep Research Society
 Aerospace Medical Association (AsMA)
 AsMA Human Factors Association

Senator LAUTENBERG. Thank you, every one of you, for your excellent testimony and your wish to make a contribution.

Knowing what I do about the Amtrak nominees, I am convinced that you have the desire to make a difference. I assume, Dr. Rosekind, with you, that as you described the value of the agency, that you are all committed to making a welcome contribution to how we function.

To Mr. Coscia and Mr. DiClemente, I ask you each the same question for the moment. A recent report that studied high-speed rail in France and Japan and Spain, the GAO found that these countries committed significant Government support for their high-speed rail system. But we are different in this country, and every year, we have got a routine where you have to fight for just enough funds to keep Amtrak afloat.

And it has been tough over the years. This has been an area of great interest to me because of the deficiencies that exist for not

having done it for so many years. I think it is fairly easy to say that there would be a lot of difference in the congestion that we see in the other modes of travel if we had made the investments at a reasonable time and level.

I was struck by the fact that Germany at one point committed \$70 billion over a 10-year period to build their high-speed system, and they got on with it and did it. And year after year, since the 1970s, when this became a quasi-Government corporation, we had to beg and borrow, and I am not sure what the total commitment that has been made, but I think that over the years, it hasn't equaled \$1 billion a year.

So because of this, we look at how we can get to the high-speed passenger rail system. Now I don't want you to be put in a position at your introduction to the Senate that you are going to be asking for more money, but apart from your specific suggestion, your specific role in finding how we get these systems up and running that come close to matching those that are some of the most efficient high-speed systems in other countries?

Tony?

Mr. COSCIA. Well, let me say at the outset that there is no question that the role of a national passenger rail service is clearly a fundamental part of any plan for a 21st century transportation system. There are many historic reasons why in the past decades resources may not have been put into building a national rail system that is comparable to the systems that you referenced in Europe. But I think there is a recognition that that kind of an integrated national rail system that throughout the country provides rail options for passengers for those distances traveled where rail makes the most sense is clearly something that is important.

And even in a time of strained resources, I think people will recognize that investment in rail is, in fact, an investment in a modern transportation system that will pay dividends in the form of a more efficient economy for sure. I think our role as directors will clearly have to be taking the resources that we are given and ensuring that they are spent as wisely as possible. Because in order to build a national consensus around putting more resources into this, one of the challenges that I think Amtrak will need to face is the ability to demonstrate that the resources it is provided are invested efficiently and invested wisely.

And in that kind of a context, I am hopeful that there will be a broader national consensus around the notion of investing more heavily in building transportation systems that are, in fact, truly national in coverage and that provide the kind of services of some of the systems you have mentioned in other parts of the world.

Senator LAUTENBERG. Thanks. The question asked really is kind of tongue-in-cheek because we have seen the things that can be done where the investments are made. And if you look at what we spend on rail and look at what we spend to subsidize aviation, they are good investments. But it tells you what can happen.

Even with that, we are overwhelmed by the traffic needs in aviation, on highways, and rail is the most laggard of them all. I was handed a note, and my rough calculation was almost accurate. That is, since 1971, we have spent \$33 billion on Amtrak, which

is less, far less than a billion a year. And thus, we have paid the price for it.

We have equipment that definitely needs upgrade. We have track that needs upgrade. We have signals that need upgrades. We have bridges that need upgrades. And we have got to be realistic about, unfortunately, how we are always competing for other needs in the country. The size of the investment that we have to make is significant. The returns would be enormous.

As you each know, the economy recovery law included \$8 billion for high-speed rail. Foreign-owned manufacturers of passenger cars and high-speed rail equipment are very interested in competing for this new funding. I wonder what we can do to encourage American companies to get into this high-speed rail manufacturing market? The revenues derived could be enormous and the opportunity for us to build and learn what to do to satisfy the interests that lie around the country for corridors that could so effectively use the equivalent of the Northeast Corridor, whether it is places out of Chicago that connect with St. Louis and Detroit or other cities around those, around Texas.

I talked to Senator Hutchison about that for a moment. She knows the value. If you go out West, you know that California has been getting going on some high-speed corridors there. So what do you think we can do, Tony?

Mr. COSCIA. Well, I think that there is an enormous opportunity around a renewed level of investment in passenger rail, initially in high-speed rail as a new form of transportation. The manufacturing sector in the United States that services the rail equipment industry has, for the most part, atrophied in the past 20 or 30 years. This gives us an opportunity to create a whole new business around the technology in developing new and modern rail equipment for a new system to be built in this country, which would provide an enormous economic development benefit in terms of those jobs and those opportunities that are created around supporting that business.

I think the thing that we can do to hasten the likelihood of that happening is provide some level of assuredness and stability to the fact that this program will, in fact, see its way through. The foreign manufacturers that you refer to, and there are many of them, rely on programs in other parts of the world where there is an expectation that there will be continual year-after-year investment. If we replicate that kind of an atmosphere in this country, chances are that a manufacturing sector would develop.

I know many of your colleagues in the Senate have spoken about this. I know Senator Durbin has been a big advocate of trying to develop around the rail industry, where manufacturing jobs can be brought back into the United States through that mechanism. That would clearly be something that Amtrak should be very supportive of and be part of creating that kind of stability.

Senator LAUTENBERG. I hope that we are going to demonstrate our seriousness by moving the projects that we have underway that relate directly not just to the Northeast Corridor, but any of the corridors that we might be able to encourage development. And I would love to see it happen.

Mr. DiClemente, do you have any particular views on what we might do to stimulate the American investor, the business people, to step up and say, hey, you know, if we do this and we do a good job, there are all kinds of opportunities that accompanies that. What do you think?

Mr. DiCLEMENTE. I agree with you, Senator. I think it is an opportune time for us to take advantage with the diminishing manufacturing base that we have and try and pump some life back into that sector. I think there is a number of automobile industry facilities that have gone down that would be ideal scenarios for them to be utilized and taken advantage of from a manufacturing perspective.

Maybe there are some set-asides for American companies. Maybe there are some America-first opportunities. I think there is a whole gamut of things that this board should be looking at to try and ensure jobs and manufacturing opportunities to go along with the improved rail system.

Senator LAUTENBERG. Dr. Rosekind, about 5,000 people a year die from crashes involving large trucks. The NTSB estimates that between 30 and 40 percent of these crashes involve fatigue.

Now I know that you have experience in the understanding of fatigue and what erratic sleep does. I almost invited you to come over to my house, but the fact is that it is a serious problem. How about the use of electronic onboard recorders? Should they be mandated on all commercial vehicles, motor vehicles, do you think, to keep fatigued drivers, tired drivers off the road?

Dr. ROSEKIND. Advances in technology have made very significant contributions to transportation safety. You can think about cockpit voice recorders and positive train control, but there are also many unintended consequences: think distracted driving, for example.

I am very familiar with the issue not electronic onboard recorders. I know that the NTSB has a recommendation that advocates that, and I would look forward, if confirmed, to learning all the factual information to form a more complete opinion.

Senator LAUTENBERG. Thank you.

Earlier this year, Dr. Rosekind, Colgan Air Flight 3407 crashed in Buffalo and resulted in 50 fatalities. The captain and first officer of the aircraft both commuted long distances from their homes to their operating base in Newark, sleeping very little before their scheduled shift.

Now has the airline industry done enough to ensure that commercial air pilots are well rested, not flying under fatigue conditions?

Dr. ROSEKIND. There is certainly more that needs to be done, starting with the fact that the hours of service laws were written in the 1930s and do not reflect the current science. That is really the reason the NTSB's Most Wanted List has identified fatigue as a critical element since 1990. So there is no question that from policies to training to scheduling practices, there is a lot more that the entire industry should be doing to address fatigue.

Senator LAUTENBERG. Yes, we also know that trainees are often—and this is not something that you can help with directly, except in your research when the occasion, unfortunately, requires

it. And there are very modest salaries in the early years, and as a consequence, their people are forced to take a second job. Second job, and travelling long distances is a recipe for problems, and we don't want to see that happen.

I will conclude with one question more, Senator Hutchison, and that is to Mr. Coscia and Mr. DiClemente, about passenger rail being more energy efficient, and having fewer emissions than driving or flying. But passenger rail still lags behind other modes in passenger miles, and Amtrak is operating at half its capacity. What do you think we can do?

Maybe this would be redundant because we have already discussed how can Amtrak increase its ridership? Have you had a chance to think about that and get people attracted to going by train and out of their cars, and I say this hesitatingly, but out of the planes. Because one of the things that will relieve congestion in the sky is making room for passengers who will take the train and thereby permit us to operate more efficiently with air schedules.

What do you think we might do, Tony?

Mr. COSCIA. Well, I think it clearly is an issue, and I think there has been a great deal of study to show that Americans, for trips that are 500 miles or less, do still rely on aviation and surface road transportation using their cars in levels that clearly are not the most efficient.

And so, I guess there is a lot that I think I need to understand about Amtrak operationally and clearly. That is not a point I am at yet, but it would seem to me that a suggested approach that would make a difference would be efforts that Amtrak would take that would, in fact, create reliable service that is offered in areas where it encompasses a sufficient number of people who would use it as an alternative because it is available. It is available with regular intervals, with consistency, with reliability and, in fact, even having Amtrak explore those routes that might have a better application for rail that now are not serviced.

The system truly, if it is perceived to be national and truly perceived to cover areas throughout the United States where it could officially—efficiently gap those areas that are in the 500-mile or less range, I think it would, in fact, increase ridership substantially.

Senator LAUTENBERG. Do you want to comment?

Mr. DiCLEMENTE. Senator, I think we are on the cusp of becoming a green society, and I think folks around the country are going to be looking at Amtrak, and Amtrak should be making a commitment to lead the way not only in terms of our service, but everything in terms of how we dispose of products on our trains and everything we do should be analyzed through the green technology that is available.

Senator LAUTENBERG. Thank you very much.

We will turn to Senator Hutchison now.

Senator HUTCHISON. Well, thank you, Mr. Chairman.

I have certainly worked with Senator Lautenberg on Amtrak issues. I have been a strong supporter of Amtrak, and it is a partnership that is based on the national concept. And I want to ask the two nominees for Amtrak if you are committed to keeping the

national system besides the Northeast Corridor, which is the system that has gotten the most of the resources, and the track is owned by Amtrak. So that makes it easier.

But the rest of the country I think also must keep this infrastructure if we are going to have a truly national system, which I think is important for us. And I think now that more states are looking at options for rail, that it would provide us the opportunity to have rail that comes into and out of the Amtrak stations and providing better ridership and better service.

My question is to each of you, are you committed to the national system?

Mr. COSCIA. Senator, yes. In a word. And it makes incredible levels of sense that for the system to be truly effective, it would, in fact, need to be national. The areas where passenger rail service could make an enormous difference in terms of the mobility of Americans and the contribution to a more efficient and environmentally friendly transportation system clearly go well beyond only the Northeast Corridor of the United States.

There are many metropolitan areas in major cities in the State which, if connected by a reliable, efficient rail service, would, in fact, do a great deal for the national economy. And I don't think that the system is really supportable in terms of building the kind of national consensus necessary in order to make the kind of investments that will be necessary not for a year or two, but for many years unless, in fact, you can develop a system that is, in fact, truly national and brings together people's legitimate, appropriate interests from a national standpoint.

Senator HUTCHISON. Thank you.

Mr. DICLEMENTE. Senator, when Amtrak was founded, the charge was for it to be a national rail system. I agree with that charge, I agree with that mission statement, and I will do everything I can to make sure it remains that way.

Senator HUTCHISON. Thank you very much.

Those were the questions that I wanted to ask. I know Mr. Rosekind's area of expertise is fatigue, and I know that you asked questions about that area. So I won't ask questions of Mr. Rosekind, but appreciate very much your nomination and look forward to working with all of you.

Thank you very much.

Senator LAUTENBERG. Thank you very much, Senator Hutchison. I know your interest in this work over these years, and you will continue doing that whatever your capacity is.

And for those members of the panel, thank you very much for your testimony and good luck. And if confirmed, you will be terrific.

With that, I take the gavel and I say the meeting is adjourned. [Whereupon, at 4:28 p.m., the hearing was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF HON. BARBARA BOXER, U.S. SENATOR FROM CALIFORNIA
ON THE NOMINATION OF MARK ROSEKIND, TO BE A MEMBER AND REAPPOINTED TO
THE NATIONAL TRANSPORTATION SAFETY BOARD

Mr. Chairman, I am pleased to support Dr. Mark Rosekind to be a Member of the National Transportation Safety Board (NTSB). I would like to congratulate Dr. Rosekind and his family on his nomination.

Dr. Rosekind is a graduate of Stanford and Yale University. His research has been important to our state of California, where he served as the Director of the Center for Human Sleep Research at Stanford.

Dr. Rosekind is internationally recognized for his work examining the impact of fatigue on aviation, having served as the Director of NASA's Fatigue Countermeasures Program at NASA Ames, and also as the Chief of the Aviation Operations Branch in the NASA Ames Flight Management and Human Factors Division.

His knowledge is not simply limited to aviation fatigue; Dr. Rosekind has advised other Federal transportation agencies on fatigue issues affecting other types of transportation.

Dr. Rosekind's education and expertise will be a welcome addition to the NTSB. NTSB handles investigations of our Nation's most serious transportation accidents, and makes valuable safety recommendations to prevent similar tragedies.

Dr. Rosekind is well qualified to fill the role of Board Member at NTSB. His selection affirms a commitment to ensure that NTSB continues to play a key role in working to improve the safety of our Nation's transportation systems.

I look forward to working with Dr. Rosekind and NTSB to address some of our Nation's most pressing transportation safety deficiencies, including efforts to improve rail safety in the wake of the Chatsworth rail tragedy and addressing NTSB's Most Wanted aviation safety recommendations.

These are serious challenges that need expert attention and I believe Dr. Rosekind will be a valuable addition to NTSB.

Thank you, Mr. Chairman.

PREPARED STATEMENT OF HON. BARBARA BOXER, U.S. SENATOR FROM CALIFORNIA
ON THE NOMINATION OF PHILIP COYLE III, TO BE THE ASSOCIATE DIRECTOR AT THE
OFFICE OF SCIENCE AND TECHNOLOGY POLICY, EXECUTIVE OFFICE OF THE
PRESIDENT

Mr. Chairman, I am pleased to support Philip Coyle to be the Associate Director for National Security and International Affairs in the Office of Science and Technology Policy (OSTP) in the Executive Office of the President. I would like to congratulate Mr. Coyle and his family on his nomination.

Mr. Coyle hails from Sacramento, CA and has served our country and California in several capacities that support our national security.

In his new role at the Office of Science and Technology, Mr. Coyle will work to tackle many critical issues including climate change, nuclear proliferation, bio-chemical warfare, and transportation security. We need strong leadership and experience to address these challenges facing our country and future generations.

Mr. Coyle brings valuable experience to the OSTP and a commitment to working to solve some of our Nation's most complex problems. He has over 40 years experience in national security research, having worked over 33 years at the Lawrence Livermore National Laboratory in Livermore, California on nuclear weapons programs.

During his tenure at the Department of Defense (DOD), Mr. Coyle was the longest serving Director of the Office Operational Test and Evaluation.

For his work, Secretary of Defense William Perry awarded Mr. Coyle both the Defense Distinguished Service Medal and the Bronze Palm of the Defense Distinguished Service Medal.

Mr. Coyle's expertise in security and military related fields combined with the recognitions he has received for his work make him a well qualified candidate for this position. I believe he will be a valuable asset to the OSTP.

I look forward to working with Mr. Coyle and the Administration to address climate change, nuclear proliferation and the many other serious challenges facing our Nation.

Thank you, Mr. Chairman.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL TO
HON. PHILIP COYLE III

Question 1. As Associate Director, part of your responsibility will be finding ways to utilize scientific advances within the larger goal of addressing national security concerns. Both Sandia National Laboratories and Los Alamos National Laboratory in New Mexico have decades of experience in bringing science research to national security, not only in their core mission of Stockpile Stewardship but also in matters of energy research, infrastructure simulation, cyber security and supercomputing. At OSTP, how would you employ the diverse knowledge and work of the national labs?

Answer. The stewardship of the Nation's nuclear weapons stockpile is an essential mission which requires talented, insightful and knowledgeable people and modern, relevant research facilities. The DOE Nuclear Weapons Laboratories play a critical role in stockpile stewardship, a role for which we have no substitute. These Laboratories also have formidable scientific capabilities to contribute to our national security in other ways, such as in energy security, climate change, and intelligence. It was an important part of my career for many years to work with these Laboratories where I saw first-hand the capabilities they have. Drawing upon my many years of work in the national laboratories and my knowledge of their capabilities, if confirmed I will work with all the Laboratories and their sponsoring agencies to maximize the value they bring to all the relevant missions.

Question 2. Cybersecurity is clearly a major national security concern that must be addressed. The U.S. continues to look at both offensive and defensive options, all while the technology itself advances and progresses on an almost daily basis. In your position at OSTP, what will be your cyber security goals?

Answer. If confirmed, cybersecurity will be one of my highest priorities. Though a primary driver of our economy for decades, our reliance on cyberspace also presents significant vulnerabilities. I fully support the recommendations in the President's Cyberspace Policy Review and if confirmed, I will work closely with the OSTP Director, the Chief Technology Officer, the Chief Information Officer, the Cyber Coordinator and other senior officials to ensure the Nation has robust capability to secure cyberspace. In addition, I will work to promote innovation along the full research, development, adoption, and operations pipeline to create a cyberspace for tomorrow that is safe for learning, sharing, discovering, working, shopping, and all of the other activities of a vibrant and prosperous society.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. KAY BAILEY HUTCHISON TO
HON. PHILIP COYLE III

Question 1. Please provide for the record your views regarding the national security implications of the maintenance of a strong, viable U.S. civil human spaceflight program.

Answer. Throughout its history the U.S. civil human spaceflight program has been a contributing element to our national security. In early years it served as a demonstration of technological leadership, as NASA accomplished the first human lunar landing through the Apollo program. That leadership position is still important, as is the respect it engenders amongst our current and future allies. The civil human spaceflight program offers opportunities to reach out to new international partners (and thereby improve international relations and understanding), as it did in the early 1990s when the U.S. and Russia agreed to work together on the International Space Station. Indeed the International Space Station has become a shining beacon of what can be accomplished when countries come together to forge working relationships with one another. And of course, our civil human spaceflight program, through both its potential challenges and rewards, attracts some of the greatest engineers and technical minds, forming a core element of the American technological industrial base and contributing to America's broad innovative edge. If confirmed I look forward to exploring continued national security and inter-

national affairs opportunities to strengthen our space programs, and offering my counsel to Dr. Holdren in this area.

Question 2. Please provide your views on whether the Nation's human spaceflight capability is placed at risk by relying exclusively on the availability—and successful flight—of Russian Soyuz vehicles, over which we have no operational control, for access to the International Space Station for a period of as many as five to 7 years? Include in your response the impacts of subjecting not only the U.S. civil space program, but those of Europe, Japan, and Canada, for whom the U.S. is committed to provide transportation of crew to the ISS for the life of the ISS program, by international agreements.

Answer. How we access the space station after retirement of the space shuttle is a critically important question. Although Russia proved to be a very reliable partner to not only the United States and NASA but to all of the ISS partners following the tragic loss of the Space Shuttle Columbia, we need new options for getting humans to Low Earth Orbit and the ISS. Today, Russia is a key partner, providing a range of important services for the entire ISS team in concert with the critical services and operations provided by NASA. The ISS partnership was designed specifically in this way, so that each partner is critical to the success of all the partners.

However the “gap” in human spaceflight access to low-Earth orbit is a policy concern, and not an optimal situation for several reasons, including its impact on our dependence on Russia for crew transportation. This concern, coupled with some of the challenges involved in the current human space flight development effort was one of the drivers for the recently completed independent review of NASA's human spaceflight plans. If confirmed, I look forward to helping our space program find alternative access to low-Earth orbit as an important means of mitigating the risk of being dependent on any single access provider, regardless of origin.

Question 3. What are the national security implications of the degradation or loss of the industrial capability for the production of solid rocket motors currently provided by ATK, Inc.?

Answer. Solid rocket technology plays an important role in our Nation's strategic defense capabilities, and therefore the industrial base associated with that technology is a critical national asset. I understand that Congress has recently directed the Department of Defense (DoD) to assess the health and future prospects of this industry. If confirmed, I will certainly monitor this situation closely and interact with the DoD regarding the appropriate way forward in this area.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN ENSIGN TO
HON. PHILIP COYLE III

Question 1. In your prepared testimony before the House Armed Services Committee on February 25, 2009, you wrote that “it is clear that the GMD system and the U.S. missile defense system proposed for Europe require challenging and realistic testing before Congress and the administration can determine if those systems can be operationally effective . . .” Yet Admiral Mullen, Chairman of the Joint Staff, testified before the Senate Armed Services Committee in July 2007 that “I believe the United States has a viable initial operational capability and we are maturing the system toward a full operational capability.” And on March 19, 2009, in a hearing before the Senate Armed Services Committee, Admiral Keating, the PACOM combatant commander, testified that he believed the United States had a “high probability” of intercepting an intercontinental ballistic missile aimed at the United States by North Korea. How do you reconcile your pessimistic assessment of the operational effectiveness of the GMD system with the above statements by Admiral Mullen and Admiral Keating?

Answer. Admiral Mullen stated that the United States has a viable “initial” operational capability, by which I do not believe that he was indicating that the capability is so far along that it no longer requires challenging or realistic testing. In the same hearing in which I gave the remarks quoted above, Lt. Gen. Patrick O'Reilly, Director of the Missile Defense Agency, described the three-phase process he is using to identify needed tests to address “Critical Engagement Conditions (CECs),” which are engagement conditions that require challenging and realistic flight intercept tests, and tests needed to gather basic phenomenological data, called “Empirical Measurement Events (EMEs).” General O'Reilly stated that he had identified a total of 53 CECs and 22 EMEs of concern for the various ballistic missile defense system elements, including such issues as solar and lunar backgrounds, high closing velocities, salvo launches, and countermeasures. I also noted these

issues in my testimony. Those numbers have since grown. On May 21, 2009, General O'Reilly testified that a total of 101 CECs and EMEs were needed.

Admiral Keating's comment was made in the context of intercepting a single ICBM aimed at the United States, not several enemy missiles at once. The goal of being able to handle multiple simultaneous enemy missiles will require challenging testing.

Question 2. In your prepared testimony before the House Armed Services Committee on February 25, 2009, you wrote of the need to increase testing for the ballistic missile defense system, including the Ground-based midcourse defense system. Yet Missile Defense Agency Director, General O'Reilly, testified this year before Congress that the MDA was moving away from conducting two GMD tests per year to one GMD test every 9 months. What is your view of this new, slower rate of testing? Do you assess that MDA has the ability to conduct at least GMD flight tests per year?

Answer. All else being equal, considering the substantial number of GMD tests still needed, it would be helpful if they could be conducted at the rate of two per year, rather than one per year. In 2000, 2001, 2002, and 2007, the Missile Defense Agency conducted two or more GMD flight intercept tests per year. However, these tests are expensive, require considerable scientific development, engineering analysis, and planning, and afterwards require lengthy data analyses. It is my understanding that given these realities, even though there may be certain years in which two GMD tests will be conducted, an average of closer to one GMD test per year will be the likely pace overall.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. JOHN THUNE TO
HON. PHILIP COYLE III

Question. One final question that has to do with an agreement in May. We agree, I should say to—the U.S. did to a negotiating agenda at the U.N. Conference on Disarmament to commit to the U.S. on a treaty for the prevention of an arms race in outer space. I think we need to understand the scope of the impact that that kind of a treaty could have on our defense and U.S. Defense programs, and I would ask you, and you don't have to do this now, but furnish it to us to identify for the committee those U.S. defense systems that currently are in the field or in development that might directly or indirectly be used to support an anti-satellite capability.

Answer. It is critically important for the U.S. to continue to operate in space for both economic and defense reasons and to engage the international community in ways that further this goal. I am fully committed to ensuring that our capabilities in space continue to improve. Furthermore, any proposed international agreements in this general area must be considered with great care to ensure that they would be in the best interest of the U.S. If confirmed I will work with the Congress and with others in the government to address these challenges.

I am aware of a successful U.S. anti-satellite test in the mid-1980s that has been widely reported in the press and I of course followed very closely the Navy's successful shoot-down of the malfunctioning U.S. satellite last year. Since work in national security space related areas is often highly classified and my recent activities and employment have been outside the government (and not directly related to this area), I currently don't have access to much of the information that may exist relevant to your request. If confirmed, I will work with you and other members of the Committee to understand U.S. capabilities that might be relevant to this issue.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DAVID VITTER TO
HON. PHILIP COYLE III

Question 1. Mr. Coyle, I have serious concerns about several of your previous statements that indicate uncertainty regarding the future of U.S. ballistic missile defense systems. Given the increasing threat posed by Iran, North Korea, and other rogue states, I believe it is imperative that we fully support the development and deployment of missile defense systems that can protect the United States and our allies.

In testimony before the House Armed Services Committee earlier this year, you compared America's missile defense program to "a program in which I was going to prove that I could flap my arms and fly." In fact, you have testified repeatedly over the past decade that you do not have any faith in the Ballistic Missile Defense System (BMDS) currently being fielded by MDA. Do you continue to take such a dim view of America's missile defense system? Why or why not? If you are con-

firmed and the President asks for your assessment of the effectiveness of existing defensive systems, and the advisability of pursuing the recently announced "Phased Adaptive Architecture," what will you tell him?

Answer. I support the President's approach for a phased, adaptive approach to missile defense in Europe and believe it is based on an assessment of the missile threat, and a commitment to deploy technology that is proven, cost-effective, and adaptable to an evolving security environment. As the President has pointed out, this new system offers more effective defenses against more near-term ballistic missile threats, and provides for the defense of U.S. deployed forces, their families, and our Allies in Europe sooner and more comprehensively than the previous program. I also fully support the testing program that General O'Reilly has laid out for the Phased Adaptive Approach.

My analogy to unaided human flight was intended to illustrate that difficult technical programs can focus too long on necessary but insufficient increments while not confronting the most challenging aspects of the missions they face. Under the leadership of Lt. Gen. Patrick O'Reilly, the Missile Defense Agency is now addressing the types of issues I raised. For example, in the same hearing in which I gave the remarks quoted above, General O'Reilly identified some of the same test issues that I described in my testimony, including such issues as solar and lunar backgrounds, high closing velocities, salvo launches, and countermeasures. I fully support the new approach that General O'Reilly has spearheaded.

If I am confirmed, I will work to ensure that the Director of OSTP, and the President have access to the best available scientific and technological information on any issue for which my advice is sought.

Question 2. Administration witnesses have repeatedly emphasized the importance of the Ground-Based Midcourse Defense System (GMD) as a "hedge" against attack by Iran or North Korea. General Cartwright testified before the House and Senate Armed Services Committees earlier this year that: "We currently have the ability to defend the United States (including the East Coast) against any Iranian ICBM, and with the TPY-2 deployment planned in Phase I and continued improvement of the GBIs, this defense will grow even stronger in the next several years." Do you believe that GMD is an effective hedge against the existing and likely future rogue nation ICBM threat? If not, what improvements need to be made before you will join the Administration in considering it an effective hedge?

Answer. I fully support the Administration's approach to missile defense and applaud the advances that have been made in this extremely challenging area. It is my understanding that the new Phased Adaptive Approach could contribute to our defense as General Cartwright indicated. In order to improve its effectiveness against future rogue nation ICBM threats, our missile defense system will need to continue to incorporate improvements from the results of the testing program that Lt. Gen. O'Reilly has initiated, and address the effects of possible nuclear detonations on missile defense radars, satellites, and command and control systems.

Question 3. In a speech sponsored by the Global Security Institute in New York in 2005 you criticized the U.S. Military's approach to space, stating: "[But] when the U.S. military talks about space dominance, space superiority, and space control, as they do regularly, they are behaving as if they think we do own space, and that we don't need to consult with anyone else about how space should be used." You also criticized U.S. spending on Space Situational Awareness (SSA), citing the Space Based Surveillance System (SBSS) as unnecessary. If confirmed, will you encourage President Obama to reduce spending for, or cancel outright, programs that provide SSA or space control options for our military?

Answer. No. My point in that speech was that the United States should work with the international community to improve the security of its space systems. It is very difficult to protect space assets through national measures only. The threat of space debris, for example, can be addressed effectively only through international cooperation to minimize the production of debris.

I fully support the need for improved space situational awareness. If confirmed, I would seek out the latest information on the current state of the SBSS program and do my best to assure the science and technology needed for a successful SBSS program was made available.

Question 4. In the same 2005 speech, you went on to argue that: "New funding and priority for space weapons and for missile defense in the United States is creating a pressing need for arms control in space." If confirmed, will you encourage President Obama to seek to negotiate a multilateral space arms control agreement? What types of limitations would you propose as part of such an agreement? How would adherence to those limitations be verified?

Answer. If confirmed, it would not be my role to encourage President Obama to seek to negotiate a multilateral space arms control agreement. If confirmed, I would work to assure that the best of America's science and technology was available for the U.S. national security and space activities that the President and the Congress decided to pursue.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK WARNER TO
SCOTT B. QUEHL

Question 1. If confirmed, what steps will you take to ensure proper oversight of all of the stimulus-related programs the Department of Commerce oversees, in particular the Broadband Technology Opportunities Program?

Answer. The Department of Commerce (Department) has existing accountability mechanisms in place which are being used to review plans, progress and performance results for American Recovery and Reinvestment Act (ARRA) funded activities. Additionally, the Department has put in place ARRA-specific mechanisms for oversight of ARRA implementation activities.

1. *Senior Management Council (SMC)*—provides leadership and oversight for internal control assessments under OMB Circular A-123, Management's Responsibility for Internal Control. The Department also has a Senior Assessment Team (SAT) which is responsible for conducting day-to-day A-123 activities, including review, documentation, and testing of internal controls. The SAT determined that existing controls will be sufficient to handle the new ARRA projects.

2. *Department level program risk oversight*—The Investment Review Board (IRB) is responsible for conducting investment reviews and assisting Department management by identifying programs and projects that merit review; and providing findings and recommendations from investment reviews to the Department for resolution.

3. *ARRA Working Group*—The Department formed several cross-bureau, cross-function work teams to plan and implement ARRA across the Department. The Departmental Work Team structure is as follows:

The Senior Accountable Official and associated staff are responsible for overall coordination and management at the Department level of ARRA implementation, including timely delivery of information on Recovery Act projects. The Senior Accountable Official oversees the ARRA Working Group which provides senior oversight and management to all sub-groups. The ARRA Working Group consists of the Recovery Implementation Steering Committee, the Bureau Points of Contact Group, and the team leads for the work groups for reporting, transparency and the National Environmental Policy Act (NEPA).

The Bureau Points of Contact (POC) Group consists of a single senior manager from each of the bureaus receiving funding (the Census Bureau, the Economic Development Agency (EDA), the National Institute of Standards and Technology (NIST), the National Oceanic and Atmospheric Administration (NOAA), and National Telecommunications and Information Administration (NTIA)). These bureau POCs are responsible for coordinating and managing bureau efforts with Departmental efforts. Each bureau has its own internal team working on bureau-specific activities and oversight, and the bureau POC is the communication and management liaison to the Department.

The Broadband Technology Opportunities Program (BTOP) has regular reviews conducted by the Department concerning milestones and decisions, including reviews of the program's project schedule, contract schedule and grant making process. NTIA is committed to ensuring that BTOP funds are spent wisely and efficiently. Since the inception of BTOP, NTIA has worked with the Department's Inspector General to design the program in a manner that minimizes the risk of waste, fraud, and abuse.

NTIA has taken a number of steps to ensure that the BTOP program complies with all relevant environmental and historic preservation requirements. As project construction begins, NTIA will enhance its auditing and monitoring capabilities, including site visits to grantees. NTIA is currently developing program-specific post-award compliance and monitoring processes and guidelines that will include ARRA and BTOP reporting requirements.

Question 2. You mention in your testimony that you will ensure that the Department's mission, goals, and budgets are connected to measurable results that matter. How do you anticipate doing that, and what government-wide reforms would you

recommend to create clear, measurable results for all Federal programs and agencies?

Answer. The Administration is still developing its performance agenda to meet mission requirements and improve efficiency and effectiveness. It will seek performance information that is used to set priorities and diagnose problems, and that tracks progress on goals across agencies. It will consider approaches used successfully by state and local government, as well as other countries, to come up with the best of what works in both the Federal Government and elsewhere. It will also identify those existing measurement efforts that are unsuccessful or burdensome, to streamline or eliminate them.

Senior leaders need to be involved in setting goals, and held responsible for achieving them. Goals should be outcome-oriented and linked to program level and individual targets. Progress against targets should be communicated clearly, and reviews of planned vs. actual performance should be conducted at all levels. Finally, results should be transparent to Congress, the public, and the Federal work force.

I understand that the development of the FY 2011 President's Budget has been informed by performance information, and budget justifications will continue to be integrated with annual performance plans. In addition, this year's budget will identify a small number of high-priority performance goals for the next one to 2 years that will be tracked quarterly and reported publicly.

In calendar year 2010, the Department will develop an updated Strategic Plan for 2010 through 2015, providing a framework for articulating and integrating the Department's mission, vision, goals, and measures into its annual budget, as well as its employee performance evaluations. This initiative calls for close coordination between the Office of the Secretary, Financial Management, Human Resources, and bureau leadership within the Department, as well as consultation with the Committee on the Strategic Plan.

Department management intends to work closely with the Office of Management and Budget, and consider the views of the Government Accountability Office, the Office of the Inspector General, and appropriate inter-agency councils in the formulation of program performance metrics. The Department also intends to make more effective use of management information systems to support performance assessment and reporting.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TOM UDALL TO
ANTHONY R. COSCIA

Question. Mr. Coscia, studies have shown that rail transportation is cleaner and more efficient than passenger car transportation. In New Mexico, the Rail Runner Express has demonstrated that New Mexicans are willing to leave their cars behind to travel in an environmental friendly way if more rail options were available. Yet the Amtrak service map shows that intercity passenger service is primarily focused in the Northeast and along the coasts. What are your thoughts for improving passenger rail service in the southwest and intermountain west?

Answer. There are many metropolitan areas in the southwest and intermountain west that are experiencing large increases in population where expanded Amtrak service could provide significant benefits, particularly on routes of 500 miles or less where airlines and automobiles are the only alternative today. The Northeast Corridor demonstrates that sustained investment in improved intercity passenger rail service can produce significant benefits, and that intercity passenger trains and commuter train services, such as the Rail Runner Express, can complement each other in meeting regional transportation needs. If confirmed I will work with the Board and management to explore the opportunities for expanded intercity passenger rail service in these areas of the country.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TOM UDALL TO
ALBERT A. DiCLEMENTE

Question. Mr. DiClemente, studies have shown that rail transportation is cleaner and more efficient than passenger car transportation. In New Mexico, the Rail Runner Express has demonstrated that New Mexicans are willing to leave their cars behind to travel in an environmental friendly way if more rail options were available. Yet the Amtrak service map shows that intercity passenger service is primarily focused in the Northeast and along the coasts. What are your thoughts for improving passenger rail service in the southwest and intermountain west?

Answer. As I stated at my hearing, I am strongly committed to a national passenger rail system that serves all regions of the United States, including the south-

west and intermountain west. This will require investments and support by both the Federal and state governments to enhance and expand Amtrak services on routes outside of the Northeast Corridor. The investments in passenger rail service in the Northeast Corridor have produced enormous benefits, in terms of mobility, job creation, and commercial development around Amtrak stations. We need to replicate that model in the rest of the country.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
MARK R. ROSEKIND

Question 1. In the wake of the collapse of the I-35W bridge in Minneapolis that claimed 13 lives, I experienced first-hand the professionalism, dedication and knowledge of the staff and leadership of the NTSB. In your testimony, you note strengths of the NTSB work force, but also praise NTSB Chairman Hersman for challenging the staff to increase transparency and accountability. I agree, and worked with NTSB to seek a report on the policies and guidelines used in the expedited release of factual accident-related information. My amendment to the S. 2768, the bill to reauthorize the NTSB, would not only increase transparency, but provide the NTSB with a tool to use when faced with criticism about the rate in which they release such information. In what other ways could transparency and accountability be improved at the NTSB?

Answer. In Chairman Hersman's challenge to the men and women of the NTSB to "raise the bar" she identified transparency, accountability, and integrity as initial areas for action. Each of these areas involves complex and delicate issues that must be thoroughly explored and specific actions determined before embarking on change. Clearly, Chairman Hersman strongly believes that NTSB personnel are up to this challenge and that these significant actions will enhance the Board's effectiveness and value. Senator Klobuchar, your efforts to further increase transparency and provide a tool related to timing of information release will further strengthen the NTSB's abilities to meet its vital mission objectives. While I don't yet have suggestions concerning legislative or statutory changes that would enhance transparency and accountability, if confirmed, I look forward to working with NTSB colleagues to fully implement the Chairman's initiatives to increase transparency in a variety of avenues, including issuing clear procedures and guidelines for releasing accident investigation information, and providing helpful information to the Congress.

Question 2. How would you balance the public's right to learn information about an on-going NTSB investigation with the NTSB's charge to get to the bottom of the facts—and get it right?

Answer. In the context of transparency raised in #1 above, this question goes directly to the central issue of the appropriate balance needed to maintain transparency without jeopardizing the integrity of an on-going accident investigation. If confirmed, I will learn about current NTSB policies and procedures that govern information release and timing, the controversies surrounding the issue, examples of effective and problematic applications, and proposed changes to current methods. After learning the details and nuances of this issue, I will work with Chairman Hersman, my fellow Board Members, and the senior leadership at the NTSB to develop a more informed and effective approach to address this important matter. The key, of course, will be enhancing transparency while continuing to develop timely, complete, and effective accident investigations and safety recommendations.

Question 3. As an expert, beyond implementing NTSB recommendations, what more could be done by government at all levels to prevent fatigue-related transportation accidents?

Answer. Fatigue is a complex and contentious issue that requires a comprehensive and programmatic approach to effectively reduce fatigue-related risks and accidents. This requires addressing fatigue from an overall systems perspective, at the organizational (corporate) level, and at the individual level. First, the government can address the systems perspective through Federal policies and regulations (e.g., hours of service, education and training requirements, diagnosis and treatment of sleep disorders, fatigue policies, role of technologies including fatigue models). Second, the government can address the organizational (corporate) level by mandating specific fatigue management activities, establishing requirements, and providing mechanisms for flexibility and oversight (in all areas identified above). Third, the government can address the individual level by requiring specific fatigue management elements in licensing (e.g., an education and training and recurrent requirements) and medical certification (e.g., diagnosis and treatment of sleep disorders). Finally, it is critical that the latest and most relevant scientific knowledge is used to guide these policies, requirements and activities; and where appropriate, establish explicit poli-

cies. Ongoing and timely reviews should provide mechanisms to change and evolve policies, requirements, and activities that reflect new operational demands, technology, and science.

Question 4. You note in your testimony that one of your priorities at the National Transportation Safety Board will be to address fatigue. Will your role as a member of the Board diminish your ability to be proactive on your stated goal of applying scientific knowledge to improve performance and safety in diverse settings?

Answer. If confirmed, I will be presented with a new and challenging arena within which to apply the skills and abilities that I have developed in my professional life. Essentially, being a Member of the Board represents the ultimate opportunity to apply scientific knowledge to improve performance and safety in diverse settings. Over the past 25 years, I have addressed fatigue in academic settings, while leading an internationally recognized NASA Program, and in the business sector providing effective strategies to manage fatigue in complex, real-world situations. Each of these environments provides a different mechanism to address fatigue: academic research provides controlled scientific data (typically published in scientific journals); NASA provides an applied, technical setting with the opportunity to collect data in real-world, relevant operations (results usually distributed through technical and operational venues), and the business sector is focused on effectiveness, cost, and value (due to confidentiality and competitive advantages, some outcomes may only be applied internally). There have been significant outcomes from these efforts that have made acknowledged contributions to reducing fatigue-related risks and accidents (*e.g.*, NASA's nap study showing the effectiveness of short naps to enhance performance and alertness, a real-world test of an Alertness Management Program to improve sleep and operational performance). If confirmed as a Member of the Board, I will have the opportunity to see the outcomes of meticulous investigations and fact-based, thoughtful recommendations that can affect the broadest range of settings, far beyond those touched by academics, NASA or the business sector. The transportation industry represents multiple modes and is the model for many other industries. The NTSB's findings and recommendations are cited and implemented far beyond the transportation industry, enhancing the safety of the American public in many areas.

