Dated: September 29, 2008

Signed: \_\_\_\_\_

Joseph I. Lieberman, U.S.S

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## Statement of Senator Joseph I. Lieberman on the Inspector General Reform Act of 2008

Mr. LIEBERMAN. Mr. President, I am proud to note that Congress Saturday voted to pass and send to the President the "Inspector General Reform Act of 2008." This bipartisan bill reflects the broad Congressional support for the outstanding work of our Inspectors General and our desire to ensure that these important and unique government officials are given the tools and the accountability to perform at their very best. I want to commend my colleagues, Senator McCaskill and Senator Collins, with whom I co-sponsored this bill in the Senate, for their leadership and hard work on this issue. I also want to recognize the efforts of Congressman Cooper of Tennessee in the House, who has worked diligently on this legislation or some version of it through several Congresses.

It has been 30 years since Congress, as part of its post-Watergate reforms, passed the Inspectors General Act of 1978 that created an office of Inspector General in 12 major departments and agencies to hold those agencies accountable and report back both to the agency heads and Congress on their findings. The law was amended in 1988 to add an Inspector General to almost all executive agencies and departments.

The experiment has been a great success, hailed as a sort of consumer protector for the taxpayer deep within each agency. IG audits generate billions of dollars in potential savings each year. They also safeguard something even more valuable – public

trust in our Government – by exposing shortcomings in government practices and official conduct. Some of these efforts generate front page headlines, but most of it unfolds quietly but critically behind the scenes as the IGs help their respective agencies establish effective and efficient programs and practices that make the most of the taxpayers' hard earned dollars.

It is not an easy job to undertake and, over the years, we have become aware of several instances where the independence of Inspectors General appears to be under siege. It is vital that Congress reiterate its strong support for the internal oversight IGs can provide and ensure they have the independence they need to carry out this vital, but often unpopular work.

Unfortunately, we are also aware of instances in which the watchdog needs watching – that is, situations where the Inspector General has behaved improperly or failed to provide vigorous oversight.

This legislation attempts to address both problems.

It includes an array of measures designed to strengthen the independence of the Inspectors General, such as requiring the Administration to notify Congress 30 days before attempting to remove or transfer an IG. This would give us time to consider whether the Administration was improperly seeking to displace an Inspector General for political reasons because the IG was, in effect, doing his or her job too well. It requires that all IGs be chosen on the basis of qualifications, without regard to political affiliation.

The legislation would codify and strengthen the existing IG councils, creating a unitary council that can provide greater support for IGs throughout the government.

The bill would provide greater transparency of IG budget needs, including funds for training and Council activities, to help ensure the IG offices have the resources they need for their investigations.

The legislation also adjusts IG pay. It prohibits bonuses for IGs to remove a potential avenue for improper influence by the agency head. To compensate for this ban and to reflect the importance of the work they do, most IGs would receive an increase in their regular pay. Currently, some IGs earn less than other senior officials in their agency and sometimes even less than some of their subordinates.

Our bill also enhances IG accountability by strengthening the Integrity Committee that handles allegations against Inspectors General and their senior staff, and facilitating greater oversight of the Integrity Committee by Congress.

Both the House and Senate versions of this bill received overwhelming bipartisan support, and since Senate passage last spring we have worked with the House to craft the consensus language that has now won Congressional approval. We have also worked with the Administration to address many of their initial concerns, and it is my great hope that the President will promptly sign this bill into law. Thank you.