

**Opening Statement of the Honorable Fred Upton
Chairman, House Committee on Energy and Commerce
“Oversight of DOE Recovery Act Spending”
March 17, 2011**

Thank you, Chairman Stearns, for convening the first oversight hearing this Subcommittee has had on the Department of Energy’s use of American Recovery and Reinvestment Act funds, which most people know as the stimulus.

When the stimulus was proposed two years ago by President Obama, the Republicans on this Committee fought to markup the parts of the bill within our jurisdiction. Before spending over \$800 billion, we thought it was a good idea to talk about where that money was going. But we were told there wasn’t time to ask those questions. There wasn’t time to have a single hearing on what was in the 400 pages of the stimulus bill. We kept hearing that there wasn’t time to debate – that the Congress needed to act immediately to help the economy, and not ask too many questions. This Committee was allocated just one day to markup and debate the stimulus. And despite the administration’s urgency and haste to pass the bill, as we will hear today, billions of dollars still have yet to be spent, some two years later.

I believe every member of this Committee wanted to make sure our country survived one of the toughest economic times it has experienced. My home state of Michigan has suffered terribly in the recession. But the question that was asked then, and that we will ask again today is — was the stimulus the right thing to do to repair the economy?

Today we will attempt to answer that question, at least at it relates to the share of stimulus funding that went to the Department of Energy, by examining the approximately \$35 billion in funding the agency received. This sum represents a massive increase in funding to the department: DOE’s entire budget in Fiscal Year 2010 was almost \$10 billion less than the stimulus appropriation. I look forward to learning more about how DOE has implemented the stimulus-funded programs and what lessons have been learned. I want to understand whether DOE believes this Committee should be concerned that, as of today, only \$12.4 billion of the \$35 billion in stimulus funds, or around 35 percent, has actually made it to DOE project or program recipients. I also hope the witnesses will be able to tell this Committee more about the results of this stimulus spending. Has the money been spent in a cost-effective manner? Has DOE done a good job of prioritizing the projects that deserve funding — or was this simply a rush to spend money with the stimulus deadline looming? Were these projects actually “shovel-ready” and – the ultimate question – did funding them stimulate the economy and create jobs?

While I am pleased we are looking into this issue now, I regret that it has taken this Committee two years to start asking questions about DOE stimulus. I will note, though, that it is not for lack of trying. I sent a letter to DOE four months ago, in November, asking a number of questions about the stimulus. I was happy to receive Secretary Chu’s response just this week. I look forward to exploring some of the Secretary’s responses with you today, Mr. Isakowitz, and with the other witnesses as well.

I yield back.