

**Opening Statement of the Honorable Cliff Stearns**  
**Chairman, Subcommittee on Oversight and Investigations**  
**Business Meeting – OMB Subpoena**  
**Thursday, July 14**  
*(As Prepared for Delivery)*

The purpose of today's business meeting is to authorize the issuance of a subpoena to OMB for documents relating to the DOE loan guarantee to Solyndra, Inc. This is the first time this Committee has considered a resolution authorizing a subpoena in this Congress.

On March 14, 2011, this Committee requested documents from OMB relating to the Solyndra loan guarantee. Specifically, the Committee asked OMB to produce:

- all documents in its possession relating to Solyndra, such as internal reports or analyses, and
- all communications relating to the deal.

Three months passed. Committee staff worked extensively with OMB's staff to obtain production of the documents and to offer accommodations, such as *in camera* reviews, but we still could not get production of the documents. The internal communications and documents we requested were not produced

Realizing we were getting nowhere with OMB, this Subcommittee scheduled a hearing for June 24, and invited OMB Deputy Director Zients to testify, so that we could get some information about OMB's role in the DOE loan guarantee process. He did not show. At that time, we talked with Ranking Members DeGette and Waxman about the problems we were having obtaining documents from OMB. Ranking Members DeGette and Waxman asked us to identify categories of documents for OMB to produce, and offered to contact OMB to see if they would agree to produce those documents.

We took them up on their offer, and listed four specific categories of documents for OMB to produce. In response, OMB offered to allow staff to view — but not take possession of — only one of the four categories: OMB's emails with DOE about the Solyndra guarantee.

That viewing took place this week. But even that production did not include all the responsive documents in that one category, as OMB stated it was still gathering its communications with DOE from 2010 and 2011, when DOE modified the terms of the Solyndra deal. The most important information in the documents — the risk ratings assigned to the Solyndra guarantee — were redacted. Committee asked OMB staff again about the other categories of documents the Committee had requested, and whether OMB would produce them. As it has done repeatedly over the last four months, OMB refused to respond.

I can only conclude that after four months, and extensive efforts to obtain these documents, that OMB does not intend to produce them voluntarily. This Committee has established its need for this information. The DOE Loan Guarantee program is within this Committee's jurisdiction. The program has issued \$11 billion in financing. The first recipient of a loan guarantee — Solyndra — experienced financial setbacks which caused DOE to modify the loan. It also raised a question about whether DOE and OMB were doing a thorough job of vetting these deals and mitigating the risk to the taxpayer. Furthermore, the Committee had not conducted any oversight of this program in the previous Congress. It is time to take a look and see if this program is working.

I understand my colleague, Ranking Member Waxman, has called this subpoena an "abuse of the subpoena authority" and claims that OMB has been working "in good faith" with the Committee. I respectfully disagree. Voting to authorize this subpoena is a necessary step in carrying out this Committee's constitutional obligations. We simply cannot allow executive branch agencies to pick and choose what they will produce, or whether they will produce it at all. We are the stewards of the taxpayers' money, and we need to ensure that the billions of dollars appropriated for the DOE Loan Guarantee program are properly invested.

Before I close, I would like to seek unanimous consent to enter into the record a letter that Solyndra sent to me and Ranking Member DeGette yesterday. This letter outlines Solyndra's current revenues and sales. I am happy to put this in the record. We have no desire to cast aspersions on an American company that is trying to create jobs in a tough economy. But we do need to find out what OMB did with regard to Solyndra's loan guarantee. If OMB has nothing to hide, they should have turned the documents over four months ago and perhaps we would have been done with this investigation by now. Hopefully, if OMB turns over the

documents this Committee is seeking, there will come a point in time when this Committee can have a full examination of the facts, on the record, about the job OMB and DOE did to assess the financial condition of this company, and whether they took the appropriate steps to assess and mitigate the risks presented by this guarantee.