



For Immediate Release

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Statement of Michael B. Enzi
Senate Committee on Health, Education, Labor and Pensions

Rep. Hilda Solis' Nomination to Head the
Department of Labor
February 11, 2009

Mr. Chairman, I want to thank you for calling this mark-up today, and especially for following regular order during the nomination process. By doing so we are fulfilling our advice and consent obligations pursuant to the Constitution.

Rep. Solis has a diverse background and a compelling personal story. Her life is one that epitomizes the American Dream, and her dedication to public service is admirable. It should serve as an example to young people everywhere.

The main reason this nomination has been delayed for over a month is because the nominee had errors and omissions in the documents that she filed with the Committee as well as the U.S. House of Representatives. Therefore we had to reconstruct the entire sequence of events and financial statements to ensure there are no conflict of interests. This is a similar due diligence and background check process that we follow for all nominees both of this Administration and of the previous Administration. But for these paperwork problems, we probably would have been able to vote on her nomination in January.

One of my primary conflict of interest issues concerns Rep. Solis' position as a Treasurer of a 501(c)(4), a not-for-profit lobbying firm. As an accountant and coauthor of the Sarbanes Oxley Act, I can assure my colleagues that there is no such thing as an "honorary" Treasurer of a 501(c)(4) organization that lobbies Congress. So-called "honorary" positions are reserved for Board of Director positions on 501(c)(3) charitable organizations, but not positions with a fiduciary responsibility, such as Treasurers or General Counsels for 501(c)(4) groups.

I was also deeply troubled to learn that this entity has filed lobbying disclosure paperwork with the House of Representatives reflecting that they lobby in support of bills that Rep. Solis has co-sponsored and with which she would be involved as the top labor official in the executive branch.

To address these concerns, I have obtained from Rep. Solis a sworn affidavit that she has no check writing or signing authority as Treasurer for this 501(c)(4) entity, nor does she have any control over or the ability to control this entity's expenditures for campaign ads. I request

that this affidavit as well as the letter from this entity's banker be added to the responses I received to my questions for the record.

In addition, the entity has filed amended filings with the Federal Election Commission that demonstrate that Rep. Solis was not listed as being responsible for any monies going towards the campaign ads.

This affidavit goes a long way towards showing that no conflict of interest appears to have taken place.

To avoid any future perceived conflict of interest, it is my hope and expectation that Speaker Pelosi should immediately amend the House Ethics rules to prohibit Members of Congress from serving in a position of fiduciary responsibility for 501(c)(4) organizations. It is a blatant conflict of interest, not allowed in the Senate, and should be prohibited immediately in the House of Representatives.

Finally, last week press reported that there were unpaid tax liens related to Rep. Solis' husband's small auto repair business. It appears that all of the outstanding liens have been paid. I have obtained a letter from the County of Los Angeles Treasurer and Tax Collector verifying that the County liens have been released. My staff also held a conference call with officials from the State of California, and received word that all outstanding state liens have been released.

Mr. Chairman, thank you again for letting us work through regular order to ensure that we fulfill our duties under the Constitution. Now that we have done our due diligence we can move this nomination out of the Committee. It is our hope to have Rep. Solis' nomination voted on the Senate floor soon. Rep. Solis and I discussed the Workforce Investment Act and how we need to get it reauthorized immediately. I look forward to working with her in her new Cabinet position as Secretary of Labor and her staff on the this and the many other labor and economic issues facing our country.

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