

**Opening Statement of Rep. Edolphus Towns, Chairman
Committee on Oversight and Government Reform
Hearing on H.R. 1507 –
The Whistleblower Protection Act of 2009**

May 14, 2009

Today's hearing is entitled, "Protecting the Public from Waste, Fraud and Abuse: The Whistleblower Protection Enhancement Act of 2009."

H.R. 1507 is an important piece of legislation. This Committee has reported favorably similar legislation, on a bipartisan basis, in each of the last two Congresses. The House of Representatives has twice passed similar bills, once in 2007 with 331 votes and again as a bipartisan amendment to the stimulus legislation earlier this year.

Unfortunately, the stimulus amendment was removed in conference with the Senate. However, this provides us with the opportunity to hear from the new administration on this reform, to work and engage with them on possible changes to the bill, and to consider the ongoing need for strong whistleblower protections.

I want to thank Representatives Van Hollen and Platts for their efforts to support government whistleblowers. As this Committee has long-recognized, enhancing whistleblower protections helps us to fulfill our role of bringing about more honest, accountable, and effective government for the American people.

Whistleblowers risk their careers to challenge abuses of power and gross waste of government resources. At a time when America needs the best value for every dollar spent, we need these protections now more than ever. This is particularly true now that

billions of stimulus dollars, and billions more aimed at stabilizing the financial system, are at stake.

H.R. 1507 will ensure that the federal employees responsible for monitoring the financial recovery programs are not deterred from reporting mismanagement of taxpayer dollars. Government employees are often in the best position to call attention to illegality or waste because they witness what is happening inside the government on a day-to-day basis.

Unfortunately, as we will hear today, under the current, inadequate system, whistleblowers have too often been left out to dry, instead of being rewarded for their courage.

Over the last decade, legal victories for public employees have been almost non-existent. Employees have been fired and disciplined for disclosing evidence of waste, fraud or abuse simply because an administrative judge determined it was part of their job to do so! That's contrary to the whole point of the whistleblower law.

If passed, H.R. 1507 would take a landmark step in restoring Congress' intent to protect employees from retaliation.

Importantly, H.R. 1507 also extends strong whistleblower protections to employees of government contractors. Congress wisely included similar protections for private recipients of stimulus funds. However, no similar safeguard was included when Congress passed the "bailout" last fall.

This bill would extend the right to disclose waste, fraud and abuse without fear of retaliation to employees of all government contractors, including those which accepted "bailout" funds.

The Oversight Committee has documented the accountability and transparency shortcomings of the TARP program, and we will continue to do so. However, by empowering insiders to disclose any financial misconduct, this legislation provides an immediate accountability fix to that program.

Lastly, whistleblower protections are important not only in safeguarding America's tax dollars; we need them to better protect our families. Toward this end, we have worked closely with the House Intelligence Committee in drafting strong whistleblower protections for national security personnel.

Since September 11, 2001, it has become more and more evident that national security personnel need to be able to sound the alarm effectively, without fear of reprisal, *and* without having to turn to the media in order to do so. We need to provide national security personnel with safe, responsible channels for disclosing evidence of waste, fraud or abuse. H.R. 1507 also provides these employees with a meaningful remedy if they are retaliated against, something that does not exist under current law. This is an important aspect of the legislation that will strengthen the national security of the country, and I look forward to hearing more from our witnesses on this issue.

We are pleased that the Administration is testifying today to express the President's support for the principles of protecting whistleblowers and to offer constructive comments on how this bill can be strengthened and implemented. Although whistleblower legislation often involves disagreements between the executive and legislative branches, I am encouraged by the efforts to resolve these differences and promote greater accountability and transparency in government.

I'll close by noting simply that this legislation is long overdue. Without whistleblowers and the unfiltered information that only

insiders can provide, the oversight and investigative functions vested in Congress would be seriously compromised. I am pleased to have the opportunity today to hear from the administration, employees, and experts about this important reform.