



Committee On Finance

Max Baucus, Ranking Member

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Baucus Comments on Inspector General's Final Report Regarding Treasury Secretary John Snow's Financial Investments

(WASHINGTON, D.C.) - Today, Senator Max Baucus, Ranking Member of the Senate Finance Committee, commented on the findings of the Treasury Department Inspector General (IG) that Treasury Secretary John Snow was unaware of \$10 million of his own personal investments in government-sponsored enterprises (GSEs) overseen by the Treasury Department, including Freddie Mac, Fannie Mae and other entities. The IG has now concluded its investigation of possible conflict of interest violations stemming from Snow's personal holdings.

"I'm concerned by the conclusion that Secretary Snow had no knowledge about a \$10 million personal stake in institutions he's sworn to oversee," said Baucus. "The Secretary of the Treasury should know when his private investments intersect with his public responsibilities to the American people."

In October 2004, Baucus referred documents provided to the Committee by Treasury Secretary Snow's outside counsel to the Department of Justice for review and appropriate action. The potential conflict of interest matter was first disclosed in May 2004 when the Treasury Department ethics office first discovered that Secretary Snow held a \$10 million investment in bonds issued by GSEs. Secretary Snow purchased the investments in Freddie Mac, Fannie Mae, and the Federal Home Loan Bank when he became Secretary. He held these investments for 16 months while he was involved in decision-making regarding changes in oversight and regulation of these GSEs.

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