



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Opening Statement of Sen. Chuck Grassley  
Nomination Hearing of Henry Paulson for Treasury Secretary  
Tuesday, June 27, 2006

Today, the Committee will consider the nomination of Henry (“Hank”) Paulson to be Secretary of the Treasury. The Treasury Secretary is an original cabinet department position. Institutionally, there is a very close relationship between the jurisdiction of the Finance Committee, the Senate’s oldest standing committee, and the Treasury, the Administration’s second-oldest department.

Since the Treasury Secretary is the top economic policy official in the Administration and the Treasury Department implements so much of the policy made in this committee, we have a tradition of moving with all deliberate speed when a vacancy occurs. That tradition has held no matter which party controlled the Congress or the White House. I have moved aggressively on this nomination, but the time line is consistent with past Treasury Secretary nominations. As an example, let’s take a look at Secretary Rubin’s time line. The Senate received Secretary Rubin’s nomination on January 4, 1995, the first day the Senate was in session. The official ethics-related paperwork was received on January 5, 1995. The Finance Committee staff expedited review of the complicated financial details of Secretary Rubin, also a senior official at Goldman Sachs. The Finance Committee held a hearing five days later on January 10, 1995. On that same day, the committee reported Secretary Rubin’s nomination. On that same day, the full Senate confirmed Mr. Rubin and he was sworn in as Treasury Secretary.

We are moving in a similarly aggressive schedule. I appreciate the cooperation of members on what I’ll acknowledge is relatively short notice. I also want to thank the committee tax staff members, on both sides, for their hard work and long hours to get us here. My staff examined Mr. Paulson’s complicated financial records, his tax returns, and the activities of his firm, Goldman Sachs, in the area of tax planning.

I’m pleased to say that Mr. Paulson, like Mr. Rubin, over a decade ago, has been transparent with our committee staff and taken all necessary steps to cut his ties to Goldman Sachs. Mr. Paulson left a lucrative, exciting, interesting, and successful position as head of one of the most prestigious financial services firms on the planet.

He brings to the table an enviable set of assets. Mr. Paulson spent a good amount of his youth in the cornfields of Illinois. As a bright young man with excellent academic credentials, he served in the Pentagon and the White House. After government service, Mr. Paulson rose through the ranks at Goldman Sachs. When you look at Mr. Paulson’s story, you come away with an impression that this is a guy who gets the best results at whatever he tackles. That impression is reinforced when you meet Mr. Paulson. Mr. Paulson is here at just the right time. He is here to deal with tax reform, China currency, and with other major economic issues facing America. I’m pleased that Mr. Paulson has answered the call to return to public service. I look forward to Mr. Paulson’s testimony and our dialogue with him.