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Opening Statement

Rep. Danny Davis Hearing on "IRS Abuses: Ensuring that Targeting Never Happens Again"

July 30, 2014

Thank you, Mr. Chairman. Today is the twelfth hearing our Committee has held on the IRS investigation over the past year. We have held six hearings on this topic in just the last six weeks. The IRS Commissioner has testified three times before our Committee and a fourth time before the Ways and Means Committee in just the past month.

The same is true of the organizations testifying here today. Representatives from all three groups—True the Vote, the Heritage Foundation, and the Center for Competitive Politics—testified before the Committee in February of this year. I welcome our witnesses here today. Or perhaps I should say, I welcome them back.

Some may say our efforts are duplicative. It makes little sense, for example, to require IRS witnesses to submit to transcribed interviews with the Oversight Committee first, and then force them to appear again before the Ways and Means Committee. But that is what these two Committees on which I serve are doing.

Unfortunately, one person who is not here today is Inspector General Russell George. The title of today's hearing is "IRS Abuses: Ensuring that Targeting Never Happens Again." So it would have made sense to hear from the official who issued the report in 2013 that first identified inappropriate criteria used by IRS employees to screen tax-exempt applications. He could have told us how the IRS is doing in terms of implementing the recommendations in his report.

Last week, Ranking Member Cummings requested that the Committee invite the Inspector General, but he is not here today.

Other people who are not here include progressive groups that were also singled out. On April 7, 2014, Chairman Issa stated, "there is simply no evidence that any liberal or progressive group received enhanced scrutiny because its application reflected the organization's political views." But the Committee has obtained substantial evidence that IRS employees treated progressive groups in a manner similar to conservative groups.

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For example, a “Be on the Lookout” list, or BOLO list, from 2010 directed IRS screeners to look for “ACORN Successors.” Another directed IRS employees to screen for “progressives.” A PowerPoint Presentation from 2010 included images of a donkey and an elephant, and it instructed IRS screeners to look for the terms “progressive” alongside “tea party.” And a training presentation listed “successors to ACORN” as examples of organizations to “watch for.”

Witnesses also confirmed that progressive groups were subjected to extended reviews and delays. During a transcribed interview with Committee staff on October 29, 2013, a senior technical advisor in the Exempt Organizations Division testified that progressive “Emerge” groups were subjected to multi-tiered reviews that included consolidating cases and working with attorneys in the Office of Chief Counsel.

During a hearing before the Committee on July 18, 2013, the Inspector General testified that he did not become aware of documents relating to progressive groups until after his audit was complete. He stated: “I am very disturbed that these documents were not provided to our auditors at the outset, and we are currently reviewing this issue.” It is now more than a year later, and we still have not heard his update. And we will not hear it today.

Finally, late last night, the Chairman issued a Republican staff report with new recommendations for the IRS. This report was not provided to Committee Members in advance, so we did not have an opportunity to review it or offer our opinions. The primary recommendation is to eliminate the position of IRS Commissioner—one of only two political appointees in the entire agency—and replace it with a board full of political appointees.

Personally, I was surprised by this recommendation because it seems to contradict the Republican narrative for this investigation. If you believe there is too much political activity at the IRS, I do not see how increasing the number of political appointees will help. I also wonder, given the Committee’s focus on over-politicized and dysfunctional boards at the Nuclear Regulatory Commission and the Chemical Safety Board, why this model is best for the IRS.

With that, I thank the witnesses very much for being here, and I look forward to their testimony.

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