

leadership and marked improvement to his community. In all facets of his life, Dennis is an example of service and hard work that our state can be proud of.

Mr. Speaker, it is a profound honor to represent leaders like Dennis in the United States Congress and it is with great pride that I recognize and applaud Mr. McDaniel for utilizing his talents to better both his community and the great state of Iowa. I invite my colleagues in the House to join me in congratulating Dennis on receiving this esteemed designation, thanking those at Business Record for their great work, and wishing each member of the 2013 Forty Under 40 class continued success.

PROVIDING FOR CONSIDERATION  
OF H.R. 933, DEPARTMENT OF  
DEFENSE, MILITARY CONSTRUCTION  
AND VETERANS AFFAIRS,  
AND FULL-YEAR CONTINUING  
APPROPRIATIONS ACT, 2013

SPEECH OF

**HON. K. MICHAEL CONAWAY**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 6, 2013*

Mr. CONAWAY. Mr. Speaker, I rise today to highlight an important oversight in the implementation of the sequester that this CR does not address: the inclusion of several private, non-profit organizations in the scope of the sequester.

We all recognize the importance of eliminating our country's growing deficit and debt. While the sequester is in no way the best solution to this problem, we cannot afford to ignore our nation's debt crisis. Meaningful spending cuts are absolutely required in order to get our fiscal house in order.

As a CPA, I am concerned about two organizations in particular, the Public Company Accounting Oversight Board and the Financial Accounting Standards Board. These two organizations were designed from their inception to be independent of the federal budget process.

High-quality accounting and independent audit oversight is critical to providing transparent, consistent, comparable, relevant, and reliable financial information to investors. Because of the complexity and the competing stakeholder interests associated with accounting standards, Congress has repeatedly determined that the establishment and enforcement of these standards should be managed by independent, private-sector organizations.

In order to insulate the PCAOB and FASB from coercion and to protect their independence, Congress authorized these organizations to collect fees as dedicated sources of funding in the Sarbanes-Oxley Act. These fees are not federal dollars; they never touch the Treasury or any other governmental entity, and are not subject to appropriation. In fact, Section 109(c)(1) of Sarbanes-Oxley specifically says: "accounting support fees and other receipts of the [PCAOB] and [FASB] shall not be considered public monies of the United States."

Importantly, neither the PCAOB nor FASB has any budget authority, or the ability to obligate and expend funds on behalf of the Federal government. Section 109(i) of Sarbanes-Oxley clarifies their independence further by stating: "Nothing in this section shall be con-

strued to render either the [PCAOB], [FASB], or both, subject to procedures in Congress to authorize or appropriate public funds, or to prevent such organization from utilizing additional sources of revenue for its activities . . ."

Despite this clear Congressional intent to keep the PCAOB and FASB independent of the Federal budget process, OMB included them both in the President's Budget, making them subject to sequestration under the BCA. Yet, because their revenues are not federal monies, sequestering their funds would have no impact on the Federal budget and would not reduce the deficit one dollar.

Sequestration of the PCAOB and FASB's accounting support fees would jeopardize the independence of the accounting standards-setting and auditing process, and provide the Federal government with unintended and unprecedented control over these institutions. That type of control is precisely what Congress sought to avoid when it made the PCAOB and FASB independent of the Federal budget process in Sarbanes-Oxley.

Absent correction, I fear that FASB's sister organization, the Government Accounting Standards Board—GASB—will also be subject to sequester. Like the PCAOB and FASB, GASB had its independence firmly established with its own authorization to collect fees and its complete separation from the federal budget written into Dodd-Frank.

In order to implement Congressional intent and maintain the independence of the accounting and auditing community, we must exempt these private, non-profit organizations from the President's Budget and clarify that these and other similarly situated entities are not subject to current or future sequestration under the BCA.

I would like to insert into the RECORD a bipartisan letter signed by nine members of the Congressional Caucus on CPAs and Accountants. While the letter is focused on FASB and GASB, it is equally applicable to the PCAOB and shows the bipartisan concern that protecting the independence of these organizations has.

CONGRESS OF THE UNITED STATES,

*Washington, DC, February 26, 2013.*

Hon. BARBARA MIKULSKI,  
*Chairman, Committee on Appropriations, U.S.*  
*Senate, Washington, DC.*

Hon. PATTY MURRAY,  
*Chairman, Senate Budget Committee, U.S. Sen-*  
*ate, Washington, DC.*

Hon. HAROLD ROGERS,  
*Chairman, Committee on Appropriations, House*  
*of Representatives, Washington, DC.*

Hon. PAUL RYAN,  
*Chairman, Committee on the Budget, House of*  
*Representatives, Washington, DC.*

DEAR CHAIRMEN MIKULSKI, ROGERS, MURRAY, AND RYAN: As Members of the Bi-Partisan Congressional Accountants Caucus, we are concerned about the Office of Management and Budget's ("OMB") unilateral determination that sequestration applies to the Financial Accounting Standards Board ("FASB") under the Budget Control Act of 2011 (P.L. 112-25) ("BCA").

OMB's decision to sequester funding for FASB, and the potential for a future sequestration of the Governmental Accounting Standards Board ("GASB"), undermines the independence required for the establishment of fair and reliable accounting standards. It also contradicts Congressional intent and the legal requirements of the BCA, the Sarbanes-Oxley Act of 2002 ("SOX"), and the

Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"). Consequently, we ask that FASB and GASB be excluded from the list of entities subject to any current or future sequestration under the BCA.

High-quality accounting standards are critical to providing transparent, consistent, comparable, relevant, and reliable financial information to investors. Because of the complexity and the competing stakeholder interests associated with accounting standards, Congress has repeatedly determined that the establishment of these standards should be managed by an independent, private-sector body. Congress statutorily authorized the SEC to designate FASB as the entity responsible for developing financial accounting and reporting standards for all nongovernmental, private-sector entities that issue financial statements in accordance with generally accepted accounting principles. Similarly, GASB is recognized as the private-sector accounting standards-setter for state and local governments.

Congress has determined that independent, private-sector funding sources are necessary in order for those entities to remain objective and unbiased. Therefore, Congress authorized the collection of fees as dedicated sources of funding to insulate FASB and GASB from coercion and to protect their independence. It is important to note that those fees are explicitly not public monies of the United States; the fees never touch the Treasury or any other governmental entity, and are not subject to appropriation.

Despite this clear Congressional intent to keep FASB and GASB independent of the Federal budget process, OMB unilaterally decided to include FASB in the President's Budget, making it subject to sequestration under the BCA. Absent correction, we fear that OMB may also decide to include GASB in the President's Budget, thereby also making it subject to sequestration. Importantly, neither FASB nor GASB has budget authority, or the ability to obligate and expend funds on behalf of the Federal government. Therefore, sequestering their funds would have no impact on the Federal budget and would not reduce the deficit one dollar.

Sequestration of FASB accounting support fees would jeopardize the independence of the accounting standards-setting process and provide the Federal government with unintended and unprecedented control over FASB's budget. That type of control is precisely what Congress sought to avoid when it made FASB independent of the Federal budget process in SOX, and GASB in Dodd-Frank.

In order to implement Congressional intent and maintain the independence of the accounting standards-setting process, we request that the Appropriations and Budget Committees take such steps as might be necessary to exempt FASB and GASB from the President's Budget and to clarify that these entities are not subject to sequestration under the BCA. Thank you for your attention to this matter.

Best regards,

Rep. Mike Conaway, Co-Chair, Caucus on CPAs and Accountants.

Sen. Mike Enzi, Co-Chair, Caucus on CPAs and Accountants.

Rep. Brad Sherman, Co-Chair Caucus on CPAs and Accountants.

Rep. John Campbell.

Rep. Bill Flores.

Rep. Steven Palazzo.

Rep. James Renacci.

Rep. Patrick Murphy.

Rep. Collin Peterson.

TRIBUTE ON THE RETIREMENT OF  
MR. JAMES D. RUTH, GENERAL  
MANAGER, ORANGE COUNTY  
SANITATION DISTRICT

**HON. GARY G. MILLER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 13, 2013*

Mr. GARY G. MILLER of California. Mr. Speaker, I rise today to note the retirement of Mr. James D. Ruth, the General Manager of the Orange County Sanitation District. I worked with Jim during the past several years when the District was within my congressional district and learned to appreciate the tremendous public servant that Jim embodies. He was appointed interim General Manager of the Orange County Sanitation District in December 2005 and was originally supposed to stay about three to six months. Today, seven years later, Jim has worked with the OCSD Board of Directors to guide the District through some of the most challenging times that any public official could face. Jim's good humor, his expertise in public administration, his commitment to deliver the finest work resulted in successes that others could hope to attain. I must note that Jim also enabled his staff to take risks and make tough decisions that have strengthened the District and will allow it to make the transition with a new General Manager seamless. In his tenure, Jim oversaw a number of significant accomplishments and gaining national and international acclaim for the third largest wastewater treatment plant west of the Mississippi River.

While I no longer serve Orange County, I am proud to have worked hand-in-hand with OCSD and others on some very important issues. Under his watch, Jim Ruth oversaw the relocation of the Santa Ana River Interceptor Line—an important link between the Inland Empire and Orange County—and once completed, will finally remove an environmental threat that has been looming for many, many years.

Jim transformed OCSD and was leader in trimming costs and saving ratepayer dollars. Thanks to his leadership, OCSD was one of the first agencies to implement a lower cost second tier pension system across the board and save millions of dollars with efficiencies and elimination of duplicative services.

With 55 years of public service, Jim Ruth leaves a legacy of transforming public agencies and bringing out the best in the people around him. Many of us think, Jim really isn't retiring but moving on to something else as those of us who know him well, know he cannot sit still.

Congratulations Jim on a very successful career at OCSD and on serving the people of Orange County for many years. I wish you the best in retirement.

TRIBUTE TO RACHEL MCLEAN

**HON. TOM LATHAM**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 13, 2013*

Mr. LATHAM. Mr. Speaker, I rise today to congratulate and recognize Rachel McLean for being named a 2013 Forty Under 40 honoree

by the award-winning central Iowa publication, Business Record.

Since 2000, Business Record has undertaken an exhaustive annual review to identify a standout group of young leaders in the Greater Des Moines area who are making an impact in their communities and their careers. Each year, forty up-and-coming community and business leaders under 40 years of age are selected for this prestigious distinction, which is based on a combined criteria of community involvement and success in their chosen career field. The 2013 class of Forty Under 40 honorees join an impressive roster of 560 business leaders and growing.

Rachel McLean currently serves as the Vice President and a consultant for Ruan Companies in Des Moines. The daughter of John Ruan III and Janis Ruan, Rachel has found her talents and expertise uniquely suited for leading the family business. Previously the director of communications and ultimately Vice President of Communications at Ruan Transportation Management Systems, Rachel was tasked with managing the communication processes among Ruan's 4,500 employees. Mrs. McLean now hones those experiences as she oversees charitable giving for the Ruan Family Foundation, conducts quantitative research to maximize the company's performance, and manages the customer satisfaction initiative for Ruan Transportation. Outside of work, Rachel is heavily involved in the Des Moines community through her involvement in the Des Moines Founders Garden Club, Linden Heights Neighborhood Association, and Harkin Institute of Public Policy. Mrs. McLean also serves on the Board of Directors for the Des Moines Community Playhouse and Youth Homes of Mid-America. Rachel and her husband Ben are kept busy at home with their son, set to turn two later this year. In all facets of her life, Rachel is a shining example of hard work and service that our state can be proud of.

Mr. Speaker, it is a profound honor to represent leaders like Rachel in the United States Congress and it is with great pride that I recognize and applaud Mrs. McLean for utilizing her talents to better both her community and the great state of Iowa. I invite my colleagues in the House to join me in congratulating Rachel on receiving this esteemed designation, thanking those at Business Record for their great work, and wishing each member of the 2013 Forty Under 40 class continued success.

COMMEMORATING THE LIFE OF  
JOAN MARGARET (KATHAN)  
ZERZAN

**HON. GREG WALDEN**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 13, 2013*

Mr. WALDEN. Mr. Speaker, I rise today to mark the passing of a great Oregonian whose contribution to my State and our nation bears recognition.

Joan Margaret (Kathan) Zerzan was born in Grants Pass, Oregon on June 26, 1927. A child of the Great Depression, she grew up in a house up Evans Creek Road in Rogue River, Oregon that was for a good part of her youth not wired with electricity. And yet, as she was fond of saying, if her family was poor she didn't know it at the time.

A descendent of pioneers and frontiersmen, throughout her life Joan Zerzan demonstrated the indomitable spirit of her forebears. During World War II she served as a civilian spotter of air traffic while working on her sister's ranch. A musical prodigy, she attended Willamette University at the age of 17 on musical scholarship, having been born with the unique ability to play almost any instrument seemingly just by looking at it.

It was while at Willamette that Joan met the great love of her life and husband of 60 years, Charles Zerzan. Almost exactly 5 years ago I memorialized Charles Zerzan's life on this floor, and recounted his many accomplishments. There is no question that these would not have been possible without his beloved wife Joan.

In Joan Zerzan's life she served in many roles—patron of the arts, poll worker on election day, volunteer at school and church. Yet for all her many endeavors, there was no field in which she excelled so much as in being a mother. Joan Zerzan gave birth to 12 children, 8 sons and 4 daughters, and provided each one with the love and succor that only a mother can provide. As the Psalmist wrote, so Joan Zerzan truly believed, "Behold, children are a heritage from the Lord, the fruit of the womb a reward. Like arrows in the hand of a warrior are the children of one's youth." In not only raising fine children, but in teaching them her core values of faith and hard work, she richly contributed to the ongoing success of our nation in the irreplaceable way upon which all of civilization ultimately rests. She provided an example of the matchless power of these two values throughout her life through her words and her actions—beliefs she instilled not only in her own children but in her 32 grandchildren and 12 great-grandchildren.

Though we mourn the loss of Joan Zerzan, we also celebrate the life of a woman whose contributions to this country leave an enduring legacy and inspiration to others. Joan Zerzan believed nothing was impossible and taught her children and grandchildren that, when faced with uncertainty or given a choice between hope and despair, the only reasonable choice was hope. As recounted in the Gospel of Matthew, "Therefore everyone who hears these words of mine and puts them into practice is like a wise man who built his house on the rock. The rain came down, the streams rose, and the winds blew and beat against that house; yet it did not fall, because it had its foundation on the rock." The woman who built her own life on solid ground, who grew up in a humble dwelling in southern Oregon, now retires to the mansion that has been promised her. On this solemn but ultimately joyful occasion I know this whole body will join with me in giving thanks for the life of Joan Zerzan.

CONGRATULATING RITA FOLEY  
HALPIN ON HER 92ND BIRTHDAY

**HON. ENI F.H. FALEOMAVAEGA**

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 13, 2013*

Mr. FALEOMAVAEGA. Mr. Speaker, I wish to recognize the 92nd birthday last week on March 5th of Rita Foley Halpin of Glenview, Illinois. Rita is one of the few surviving Americans who can say that her grandfather fought