U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410

Testimony of Brad Huther
U.S. House Committee on Government Reform and Oversight, Subcommittee on Government Operations
Hearing on Federal Workforce Tax Accountability for the Department of Housing and Urban Development
Wednesday, March 18, 2015

Chairman Chaffetz, Ranking Member Cummings, Chairman Meadows, Ranking Member Connolly, and distinguished members of the Subcommittee.

My name is Brad Huther and I am the Chief Financial Officer at the Department of Housing and Urban Development (HUD). I am honored to be here today on behalf of the Department, and it is my privilege to testify before this distinguished Subcommittee.

I have been with HUD for approximately six months, having been confirmed by the Senate on September 17, 2014. I am pleased to work alongside a strong team of colleagues in the Office of the Chief Financial Officer to achieve Secretary Castro's vision.

Prior to joining HUD, I served for over thirty years in senior leadership positions with the federal government at the U.S. Patent & Trademark Office, the U.S. Census Bureau, and the Office of the Secretary of Commerce. My non-government professional experience includes serving as the President and Chief Executive Officer for the International Intellectual Property Institute and as a Distinguished Adjunct Professor in Residence at American University.

Over the past 25 years, the CFO Act of 1990 has played a central role in improving financial performance and accountability based largely on private sector models. At HUD, Secretary Castro is committed to strengthening our core financial

operations so that all senior financial and program management officials can sharpen their focus on the strategically important issues of financial analysis, forecasting and leveraged management of every dollar we spend.

I appreciate the Subcommittee's interest in examining the issue of tax accountability of Federal employees and contractors.

Building a stronger HUD is a key priority for Secretary Castro, Deputy Secretary Coloretti, and the new leadership team at the Department. We are working diligently to increase transparency and accountability, eliminate inefficiency, and ensure that all employees meet high ethical standards. These efforts will help everyone at the Department fulfill our critical mission of creating strong, sustainable, inclusive communities, and quality affordable homes for all.

Like all Federal employees, and all citizens, HUD employees have a responsibility to satisfy their tax obligations. The vast majority of HUD employees do meet their tax requirements. Of course, the goal of the Department is to have all employees comply with their tax obligations, and we have taken steps to help employees meet those responsibilities. The earnings and leave statement of all employees includes a reminder of the Federal tax filing deadline and a notice that if employees are unable to pay the taxes owed, that they should contact the Internal Revenue Service (IRS) to discuss payment options. Further, HUD makes counseling available to any employees who need assistance managing their personal finances.

Despite these efforts, there are some employees who do not meet their tax obligations. These employees, like all taxpayers, are subject to the enforcement and collection efforts of the IRS. They also receive the same due process protections as their fellow citizens.

As the Subcommittee examines this issue, it is important for both the Subcommittee and the public to understand that Section 6103 of the Internal Revenue Code protects the confidentiality of tax information and prohibits its disclosure, unless a statutory exception applies. Furthermore, the responsibility to take enforcement action to recover unpaid taxes rests appropriately with the IRS.

I want to reassure the Subcommittee that the Department remains firmly committed to the goal of building an accountable work environment and a workforce where each and every employee is meeting his or her ethical and legal obligations, including tax requirements.

Again, I wish to thank the Subcommittee for the opportunity to appear before you today.