

May 1, 2002

Congressman Paul E. Gillmor

Opening Statement

Committee on Financial Services

Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises

“Corporate Accounting Practices: Is There Credibility GAAP?”

Thank you, Chairman Baker for holding this important hearing today and allowing this committee to further our investigation of the collapse of both Enron and Global Crossing, and most importantly, the negative impact these events have had on states and local communities across the country.

The House of Representatives has clearly taken a great step forward in addressing the systemic problems in the accounting industry that engendered these corporate abuses by passing the Corporate and Auditing Accountability, Responsibility, and Transparency Act, but given the 230 million dollar loss by the public employee pension fund in Ohio alone, further scrutiny of these particular business failures is necessary.

I would like to thank all the witnesses for joining us today and to extend a special welcome to a native of my congressional district, Ohio Attorney General Betty Montgomery. In January of 1995, Ms. Montgomery was sworn in as Ohio’s first female Attorney General and saw her hard work on behalf of all Ohioans rewarded with her election to a second four-year term in November 1998.

A graduate of Bowling Green State University, soon to rejoin the Fifth Congressional District of Ohio and the University of Toledo College of Law, Attorney General Montgomery began her distinguished law career as a criminal clerk for the Lucas County Common Pleas Court. In 1980, she became assistant prosecuting attorney in Wood County, Ohio and expeditiously progressed, first to the post of Perrysburg city prosecutor and then Wood County prosecuting attorney, where she increased the felony conviction rate by 250 percent during her tenure.

In 1989, Attorney General Montgomery joined the Ohio Senate where her notable achievements in the areas of crime and law enforcement, such as the drafting of Ohio’s

first living will law, Brownfields legislation and its Victim's Rights Law were complemented by her chairmanship of the Criminal Justice Subcommittee and service as Vice-Chair of the Senate Judiciary Committee and Ohio Criminal Sentencing Commission.

Throughout her career, Attorney General Montgomery has proven herself one of the great public servants in the state of Ohio dedicated to the protection of consumers and families. I look very forward to her testimony this morning, but wish it were under better circumstances.