



# Obama's Out-Of-Control Government

## *A Brief History Of Waste And Excess From Obama's Bloated Federal Government*

### THE IRS SPENT TAXPAYER FUNDS ON POLITICAL TARGETING...

**In March 2010, The Cincinnati IRS Unit Responsible For Overseeing Tax-Exempt Groups Began Targeting Conservative Organizations.** "The targeting of conservatives by the IRS started earlier and was more extensive than the IRS acknowledged last week, according to a draft IRS inspector general report obtained by ABC News. As we reported on 'Good Morning America' this morning, the IRS began targeting 'Tea Party or similar organizations' in March 2010. That was when the Cincinnati-based IRS unit responsible for overseeing the applications for tax exempt status starting using the phrases 'Tea Party,' 'patriots' and '9/12' to search for applications warranting greater scrutiny." (Jonathan Karl, "IRS IG Report: Targeting Conservatives Began In 2010," [ABC News](#), 5/13/13)

- Cincinnati IRS Employee Gary Muthert Said He Began Targeting Tea Party Groups After His Local Manager Told Him "Washington, D.C. Wanted Some Cases."** "The interview transcripts suggest it began with a search for tea-party groups by name among applications from groups seeking tax-exempt status. The Cincinnati employee who conducted the search, Gary Muthert, said he started gathering applications in March 2010, at the request of an unidentified local manager, who allegedly told him that 'Washington, D.C., wanted some cases,' according to the transcripts. Mr. Muthert first heard of tea-party applications from another Cincinnati employee. The cases were handed off to Ms. Hofacre the following month, according to the interviews, which were conducted jointly by the House Oversight & Government Reform Committee and the House Ways and Means Committee. Both Republican and Democratic investigators participated in the interviews." (John McKinnon and Dionne Searcey, "IRS Staff Cite Washington Link," [The Wall Street Journal](#), 6/5/13)

**Cincinnati IRS Employee Elizabeth Hofacre Said That Washington IRS Lawyer Carter Hull "Closely Oversaw Her Work And Some Of The Questions Asked The Applicants."** "Elizabeth Hofacre said her office in Cincinnati sought help from IRS officials in the Washington unit that oversees tax-exempt organizations after she started getting the tea-party cases in April 2010. Ms. Hofacre said Carter Hull, an IRS lawyer in Washington, closely oversaw her work and suggested some of the questions asked applicants." (John McKinnon and Dionne Searcey, "IRS Staff Cite Washington Link," [The Wall Street Journal](#), 6/5/13)

- **“I Was Essentially A Front Person, Because I Had No Autonomy Or No Authority To Act On [Applications] Without Carter Hull’s Influence Or Input,’ She Said, According To The Transcripts.”** (John McKinnon and Dionne Searcey, “IRS Staff Cite Washington Link,” [The Wall Street Journal](#), 6/5/13)
- **Hofacre Was Instructed By Hull To Use Letters That He Had Already Sent To Tea Party Groups As “Foundation” For Further Correspondence.** “Ms. Hofacre said Mr. Hull, the IRS attorney in Washington, emailed her letters that he had already sent to two tea-party applicants. She was instructed to use those letters as a ‘foundation to prepare and review my cases and prepare my letters’ to applicants, she said. She said she found the intervention by Mr. Hull ‘demeaning,’ according to the transcripts.” (John McKinnon and Dionne Searcey, “IRS Staff Cite Washington Link,” [The Wall Street Journal](#), 6/5/13)
- **“Mr. Hull Also Suggested Questions To Applicants, She Said, And She Was Told To Send Him All The Responses.”** (John McKinnon and Dionne Searcey, “IRS Staff Cite Washington Link,” [The Wall Street Journal](#), 6/5/13)

## **WHEN IT WASN’T WASTING TIME ADVANCING A POLITICAL AGENDA, THE IRS WAS THROWING TAXPAYER CASH AT LAVISH CONFERENCES...**

**According To An Inspector General’s Report, The IRS Spent \$50 Million On 220 Conferences Between 2010 And 2012.** “The Internal Revenue Service, already under fire after officials disclosed that the agency targeted conservative groups, faces increased scrutiny because of an inspector general’s report that it spent about \$50 million to hold at least 220 conferences for employees between 2010 and 2012.” (Alan Fram, “IRS Woes Grow With Report Of Conference Spending,” [The Associated Press](#), 6/3/13)

- **Conference Spending Included \$4 Million For An August 2010 Trip To Anaheim, California, For Which They Did Not Even Attempt To Negotiate Lower Room Rates.** “The conference spending included \$4 million for an August 2010 gathering in Anaheim, Calif., for which the agency did not negotiate lower room rates, even though that is standard government practice, according to a statement by the House Oversight and Government Reform Committee.” (Alan Fram, “IRS Woes Grow With Report Of Conference Spending,” [The Associated Press](#), 6/3/13)
- **“Instead, Some Of The 2,600 Attendees Received Benefits, Including Baseball Tickets And Stays In Presidential Suites That Normally Cost \$1,500 To \$3,500 Per Night.”** (Alan Fram, “IRS Woes Grow With Report Of Conference Spending,” [The Associated Press](#), 6/3/13)
- **“In Addition, 15 Outside Speakers Were Paid A Total Of \$135,000 In Fees, With One Paid \$17,000 To Talk About ‘Leadership Through Art,’ The House Committee Said.”** (Alan Fram, “IRS Woes Grow With Report Of Conference Spending,” [The Associated Press](#), 6/3/13)
- **The IRS Spent \$11,430 For A “Happiness Expert” And \$27,500 For An “Innovation Expert.”** “Source says IRS spent \$11,430 to have ‘happiness expert’ lead 4 workshops, \$27,500 for ‘innovation expert’ at 2010 conference” ([Kelly O’Donnell Twitter Feed](#), 6/3/13)
- **One Conference Speaker Was Paid \$17,000 To Discuss “Leadership Through Art.”** “In addition, 15 outside speakers were paid a total of \$135,000 in fees, with one paid \$17,000 to talk about ‘leadership through art,’ the House committee said.” (Alan Fram, “Report: IRS Spent \$50M Holding 220 Employee Conferences Over Three Years,” [The Associated Press](#), 6/3/13)

**An IRS “Dancing” Video Was Filmed During The 2010 Anaheim, California Conference.** “In the latest black eye for the Internal Revenue Service, the agency provided Congress on Friday with another video

featuring its employees, this one showing about a dozen of them line dancing on a stage. The video of the IRS workers practicing their dance moves, which lasts just under three minutes, comes weeks after it was revealed that agency workers produced two other videos parodying the 'Star Trek' and 'Gilligan's Island' TV shows. The latest recording cost about \$1,600 and was produced to be shown at the end of a 2010 training and leadership conference held in Anaheim, Calif., said IRS spokeswoman Michelle Eldridge."

("Newly Released IRS Video Shows Employees Line Dancing, Agency Calls It Unacceptable," [The Associated Press](#), 5/31/13)

- **At The Same Conference, The IRS Spent \$60,000 To Produce "Star Trek" And "Gilligan's Island" Themed Training Videos.** "That Star Trek video was produced for the same 2010 conference. The agency called the Star Trek video, which lasted six minutes and featured employees dressed as characters from the popular show, a mistake. The Star Trek and Gilligan's Island videos cost about \$60,000 combined to make, the IRS said in March." ("Newly Released IRS Video Shows Employees Line Dancing, Agency Calls It Unacceptable," [The Associated Press](#), 5/31/13)

## **HHS SECRETARY SEBELIUS IS SHAKING DOWN COMPANIES TO HELP FUND OBAMACARE...**

**Kathleen Sebelius Is "Seeking Assistance From Companies In The Health Care Field" To Implement ObamaCare.** "In telephone calls that began around March 23, officials say, Obama's top healthcare adviser has been seeking assistance from companies in the healthcare field and other industries as well as from healthcare providers, patient advocacy groups, churches and other charitable organizations."

(David Morgan, "Obama's Health Secretary Seeks Donations From Companies For Healthcare Law," [Reuters](#), 5/11/13)

- **Secretary Sebelius Solicited "Health Industry Executives, Community Organizations And Church Groups."** "Sebelius has, over the past three months, made multiple phone calls to health industry executives, community organizations and church groups and directly asked that they contribute to non-profits that are working to enroll uninsured Americans and increase awareness of the law, according to a Health and Human Services official familiar with the Secretary's outreach who spoke on condition of anonymity." (Sarah Kliff, "Budget Request Denied, Sebelius Turns To Health Executives To Finance ObamaCare," [The Washington Post](#), 5/10/13)

**Secretary Sebelius's Spokesman Said That She Had Solicited Funds From H&R Block And The Robert Wood Johnson Foundation While Engaging "With 18 Categories Of Individuals And Organizations" To Promote ObamaCare.** "Young said in his e-mail that Sebelius has 'engaged in a dialogue' with 18 categories of individuals and organizations since January about how they can 'join the public-private effort to help uninsured Americans take advantage' of the health law. The only companies he named were tax preparation business H&R Block and the Robert Wood Johnson Foundation." (Alex Wayne, "Sebelius Limited Fundraising For Health Law To Two Calls," [Bloomberg](#), 5/16/13)

**HHS Secretary Kathleen Sebelius Finally Acknowledged That She Solicited Three Companies That Are Regulated By Her Department To Help Enroll America.** "Kathleen Sebelius, the secretary of health and human services, disclosed on Tuesday that she had made telephone calls to three companies regulated by her department and urged them to help a nonprofit group promote President Obama's health care law. She identified the companies as Johnson & Johnson, the drug maker; Ascension Health, a large Roman Catholic health care system; and Kaiser Permanente, the health insurance plan." (Robert Pear, "Sebelius Asked Companies To Support Health Care Law," [The New York Times](#), 6/4/13)

- **Secretary Sebelius Said She Reached Out To Johnson & Johnson, Ascension Health, And Kaiser - Three Companies That Are Regulated By HHS.** SEC. SEBELIUS: "I made five phone calls for Enroll America and three of them were to discuss the organization and to suggest that the

entities look at the organization. Johnson & Johnson, to Ascension Health, and to Kaiser.” Rep. Trey Gowdy (R-SC): “Are any of those groups regulated by your department?” Sec. Sebelius: “Yes, all of them are.” (Committee On Education & The Workforce, U.S. House, [Hearing](#), 6/4/13)

***The Washington Post* Editorial: HHS Secretary Kathleen Sebelius Is “Dancing Around Serious Ethical Lines” By Asking Insurance Companies For Private Funds For Enroll America.** “The stakes for the Health and Human Services Department, which is overseeing the transition, are tremendous. But they are not high enough to justify HHS Secretary Kathleen Sebelius dancing around serious ethical lines. The department admitted recently that Ms. Sebelius has solicited private support — including from insurance companies — for Enroll America, a nonprofit group devoted to expanding access that a former Obama administration staffer runs.” (Editorial, “Kathleen Sebelius Dances On An Ethical Line,” [The Washington Post](#), 5/18/13)

## **THE EPA TURNED ONE OF ITS WAREHOUSES INTO A “MAN CAVE” AND LET IT DEGRADE TO “POTENTIALLY HAZARDOUS” CONDITIONS...**

**The EPA Created “Secret Man Caves” Out Of One Of Its Warehouses.** “The Environmental Protection Agency has cleaned up a lot of messes, but this one is like no other. A 70,000-square-foot warehouse operated by EPA contractors was revealed to have what several media sources have described as ‘secret man caves.’” (“EPA Finds Secret Man Caves: Warehouse Said To Be Used To Apex Logistics Contractors,” [The Huffington Post](#), 6/9/13)

**EPA Employees Used A Warehouse Facility As A Makeshift Gym, While The Facility Degraded To “Potentially Hazardous” And “Deplorable” Conditions.** “Employees at an Environmental Protection Agency warehouse in Landover, Md., worked out in a makeshift gym while conditions inside the facility ‘were rotting and becoming potentially hazardous,’ according to an EPA inspector general report issued on Monday. ‘Deplorable conditions existed in the warehouse,’ the report by Inspector General Arthur Elkins Jr. states. ‘Door jambs were corroded; dirt, dust and vermin feces were pervasive; and several items were rotting and potentially hazardous.’” (Amy Harder, “‘Deplorable’ Conditions Cited At EPA Warehouse In Maryland,” [National Journal](#), 6/3/13)

- **In Addition To The Makeshift Gym, EPA Employees Created Hideaways With Televisions And Couches And Left Sensitive Information Exposed.** “The report found that the 70,000-square-foot warehouse—one of EPA’s largest—was storing large amounts of expensive, unused equipment, ranging from computers to pianos. It also found numerous security and safety issues. ... Employees had created hideaways arranged to be out of the sight of security cameras, the report said. ‘The warehouse contained multiple unauthorized and hidden personal spaces created by and for the workers that included televisions, refrigerators, radios, microwaves, chairs and couches,’ the IG report said. ‘These spaces contained personal items, including photos, pin ups, calendars, clothing, books, magazines and videos.’ They also created a makeshift gym spanning an area larger than 30 feet by 45 feet.” (Amy Harder, “‘Deplorable’ Conditions Cited At EPA Warehouse In Maryland,” [National Journal](#), 6/3/13)

## **HIGH-LEVEL GOVERNMENT OFFICIALS ARE USING SECRET EMAIL ACCOUNTS AND EARNING AWARDS FOR THEIR ALTER EGOS...**

***The Associated Press* Revealed That Some Of Obama’s Political Appointees, Including HHS Secretary Kathleen Sebelius, Are Using “Secret Governmental Email Accounts.”** “Some of President Barack Obama’s political appointees, including the secretary for Health and Human Services, are using secret government email accounts they say are necessary to prevent their inboxes from being



overwhelmed with unwanted messages, according to a review by The Associated Press.” (Jack Gillum, “Top Political Appointees Use Secret Email Accounts,” [The Associated Press](#), 6/4/13)

- **“At Least Two Other Senior HHS Officials — Including Donald Berwick, Former Head Of The Centers For Medicare And Medicaid Services, And Gary Cohen, A Deputy Administrator In Charge Of Implementing Health Insurance Reform — Also Have Secret Government Email Addresses, According To The Records Obtained By The AP.”** (Jack Gillum, “Top Political Appointees Use Secret Email Accounts,” [The Associated Press](#), 6/4/13)

**“Secret Email Accounts Complicate An Agency’s Legal Responsibilities To Find And Turn Over Emails In Response To Congressional Or Internal Investigations, Civil Lawsuits Or Public Records Requests.”** “The secret email accounts complicate an agency’s legal responsibilities to find and turn over emails in response to congressional or internal investigations, civil lawsuits or public records requests because employees assigned to compile such responses would necessarily need to know about the accounts to search them. Secret accounts also drive perceptions that government officials are trying to hide actions or decisions.” (Jack Gillum, “Top Political Appointees Use Secret Email Accounts,” [The Associated Press](#), 6/4/13)

**The EPA Awarded “Richard Windsor,” The Fake Email Account Used By Former Administrator Lisa Jackson, “At Least Six Ethics And Cyber-Security Certifications.”** “Environmental Protection Agency officials granted at least six ethics and cyber-security certifications to ‘Richard Windsor,’ the fake employee invented for former EPA Administrator Lisa Jackson’s use for conducting official business. In a response to a Freedom of Information Act request filed in April by Christopher C. Horner of the Competitive Enterprise Institute, EPA’s Eric Wachter said in a May 31 letter that ‘as you will recall from many of your previous requests, Administrator Jackson’s secondary email account was [Windsor.richard@epa.gov](mailto:Windsor.richard@epa.gov), and she completed the EPA-hosted computer-based training while using that particular account.’ Wachter offered no explanation for Jackson’s decision to enroll in the ethics and cyber-security courses under the fake name rather than her own. The courses are offered through EPA’s Information Technology department and are required for many top agency officials.” (Mark Tapscott, “Watchdog: EPA Grants Ethics, Cyber-Security Certificates To Fake Employees ‘Richard Windsor,’” [Washington Examiner](#), 6/3/13)

- **“Among The Certificates Awarded To ‘Richard Windsor’ Was A Nov. 2, 2009 ‘Certificate Of Completion’ For ‘E-Mail Records Management.’”** (Mark Tapscott, “Watchdog: EPA Grants Ethics, Cyber-Security Certificates To Fake Employees ‘Richard Windsor,’” [Washington Examiner](#), 6/3/13)
- **Windsor Received A Certificate For Ethical Behavior In 2010, 2011 And 2012.** “Official policies ‘Richard Windsor’ likely would have been informed of during the e-mail course was EPA’s bar against using fake email names while conducting official business. During the ensuing years, however, EPA IT department officials awarded additional certificates to ‘Richard Windsor,’ including three for completion of the agency’s ‘Scholastica Decentia,’ the Certificate for Ethical Behavior, in 2010, 2011 and 2012.” (Mark Tapscott, “Watchdog: EPA Grants Ethics, Cyber-Security Certificates To Fake Employees ‘Richard Windsor,’” [Washington Examiner](#), 6/3/13)

## **GSA EMPLOYEES & CONTRACTORS LINED THEIR OWN POCKETS WITH TAXPAYER FUNDS AND HELD CONFERENCES THAT RIVAL THOSE OF THE IRS...**

### ***GSA Employees And Contractors Are Making Millions***

**“GSA Employees And Contractors — Including At Least One Employee With Responsibility For The White House — Line Their Pockets To The Tune Of Millions Of Dollars A Year, According To Reports By The Agency’s Inspector General.”** “It was a simple scam: Coleen Newton-White, a

government contractor, and her husband would take General Services Administration credit cards from the motor pool at Ft. Monroe, Va., and use them to sell fuel at a discount to cash customers who pulled up to service stations five at a time. Between 2008 and 2010, the scheme netted the couple almost \$300,000, according to court records. Although the gas scheme is a world away from the nearly \$823,000 spent on a lavish Las Vegas-area conference put on by GSA official Jeff Neely — including a mind reader, sushi and in-room parties — it is an example of the fraud that the procurement and property management agency faces regularly. GSA employees and contractors — including at least one employee with responsibility for the White House — line their pockets to the tune of millions of dollars a year, according to reports by the agency's inspector general.” (Ian Duncan, “GSA Waste Goes Much Deeper Than The Las Vegas Junket,” [Los Angeles Times](#), 4/23/12)

**“Senior GSA Officials Pressured Subordinates To Accept Federal Technology Contracts With Higher-Than-Necessary Prices And Unfavorable Terms.”** “Senior officials from the General Services Administration pressured subordinates to accept federal technology contracts with higher-than-necessary prices and unfavorable terms, according to a watchdog report released Tuesday.” (Josh Hicks, “Watchdog Says GSA Officials Improperly Intervened On Top Tech Contracts,” [The Washington Post](#), 6/4/13)

- **“GSA Inspector General Brian D. Miller Found That Directors For The Agency’s Technology - Acquisition Division Improperly Intervened When Contracting Staff Members Determined That Certain Proposals Were Not In Taxpayers’ Best Interests.”** (Josh Hicks, “Watchdog Says GSA Officials Improperly Intervened On Top Tech Contracts,” [The Washington Post](#), 6/4/13)

**GSA IG Brian Miller Said The Findings “Raise Serious Issues.”** “Miller said the findings raise ‘serious issues affecting the integrity of our acquisition system,’ adding that ‘contracting officers need an environment in which they are free to make judgments, conclusions and findings without undue interference.’” (Josh Hicks, “Watchdog Says GSA Officials Improperly Intervened On Top Tech Contracts,” [The Washington Post](#), 6/4/13)

- **“The Report Cited The Agency’s Three Largest Contracts For 2011, Worth \$900 Million, For Oracle, Carahsoft And Deloitte.”** (Josh Hicks, “Watchdog Says GSA Officials Improperly Intervened On Top Tech Contracts,” [The Washington Post](#), 6/4/13)

**“It Said Company Officials Directly Contacted Agency Management When Concerns Were Raised About Their Offers, Undermining The Authority Of The Lower-Level Contracting Personnel.”** (Josh Hicks, “Watchdog Says GSA Officials Improperly Intervened On Top Tech Contracts,” [The Washington Post](#), 6/4/13)

### ***In 2010, The GSA Made Headlines With Its Own Wasteful Conference***

**The General Services Administration’s 2010 Western Region Conference “Made Headlines When An Inspector General Report Found A Pattern Of Excessive Spending, Waste, And Possible Fraud On The Pricey, Taxpayer-Funded Las Vegas Conference.”** “The conference made headlines this week when an Inspector General report found a pattern of excessive spending, waste and possible fraud on the pricey, taxpayer-funded Las Vegas conference, where organizers went out of their way to organize a lavish, over-the-top celebration that included a mindreader, a clown, fancy food, and several ‘trial runs’ by GSA employees.” (Byron Tau, “Videos Of \$800K GSA Conference Surface,” [Politico](#), 4/7/12)

**At A House Oversight And Government Committee Hearing, The GSA Official Who Planned The Conference, Jeff Neely, Pled The Fifth To Avoid Incriminating Himself.** “A top General Services Administration official who was in charge of organizing a lavish Las Vegas conference that’s drawn congressional and taxpayer fire repeatedly invoked his Fifth Amendment right against self-incrimination Monday on Capitol Hill. During Monday’s hearing, Jeff Neely, refused to answer several questions from House Oversight and Government Committee chairman Darrell Issa (R-Calif.), including rudimentary

questions such as his official title at GSA and whether he was currently employed at the agency.” (Seung Min Kim, “GSA Official Pleads Fifth In Conference Scandal,” [Politico](#), 4/16/12)

- [Click To Watch Neely Plead The Fifth](#)

**On Top Of The Conference, Neely “Spent Thousands Of Taxpayer Dollars On A Variety Of Wasteful Trips And Events.”** “The General Services Administration executive who organized an \$822,000 conference in Las Vegas in 2010 also spent thousands of taxpayer dollars on a variety of wasteful trips and events, according to lawmakers and GSA's top investigator.” (Andy Medici, “Inspector General: GSA Official's Waste Part Of Pattern,” [USA Today](#), 4/17/12)

- **Neely's Wife Accompanied Him On Lavish Trips As Taxpayers “Picked Up The Tab.”** “The senior government executive who organized the lavish Las Vegas conference at the center of a General Services Administration spending scandal took dozens of trips for the agency. The boss's wife accompanied him on some of them — and taxpayers picked up the tab. Deborah Neely wasn't always just sharing husband Jeffrey E. Neely's hotel rooms at resorts from Las Vegas to the Pacific islands. She handled party arrangements, directed event planners to spend government money and arranged lodging for relatives on the GSA trip to Las Vegas in 2010, an unusual role revealed in transcripts of interviews that the agency's inspector general's office conducted with Jeffrey Neely, as well as in congressional hearings.” (Lisa Rein, “GSA Official's Wife Accompanied Him On Trips At Taxpayer Expense,” [The Washington Post](#), 4/17/12)

**Obama Praised The Work Culture Of The GSA Administrator Who At That Time Was Overseeing The Department's Gross Misuse Of Taxpayer Dollars.** PRESIDENT OBAMA: “Because in the end we believe that all of this isn't just about providing a better work experience for our employees, it's about providing better more efficient service for the American people, even in the face of snow storms and other crises that keep folks from getting to the office. I do not want to see the government close because of snow again. It's about attracting and retaining top talent in the federal workforce and empowering them to do their jobs and judging their success by the results that they get, not by how many meetings they attend, or how much face time they log, or how many hours are spent on airplanes. It's about creating a culture where, as Martha Johnson puts it ‘work is what you do, not where you are’ and in these efforts we will be looking to all of you for advice and ideas and we plan to continuing this conversation in the coming months, holding forums and roundtables in communities across the country, so we can seek out more good ideas and best practices that we can adopt and will help.” (President Barack Obama, [Remarks At The White House Workplace Flexibility Conference](#), Washington, D.C., 3/31/10)

## OBAMA'S DOE SPENT MILLIONS ON TWO MAJOR FAILED PROJECTS...

### *Solyndra Squandered A \$535 Million Loan Guarantee*

**Solyndra Filed For Bankruptcy After Receiving A \$535 Million Loan Guarantee.** “Friedman's most high-profile investigation involves Solyndra, the California solar company that filed for bankruptcy protection last year after winning a \$535 million DOE loan guarantee. During testimony before a House Energy and Commerce subcommittee, Friedman said the Justice Department and his office continue to look into Solyndra, but he stayed clear of offering any other specifics.” (Darren Samuelsohn, “Up To 300 IG Investigations Targeting DOE Programs,” [Politico](#), 4/18/12)

**In August 2011, Solyndra Announced That It Would File For Bankruptcy, “Immediately Laying Off 1,100 Employees.”** “Solyndra, a Fremont solar tech manufacturer, announced Wednesday it is suspending operations and immediately laying off 1,100 employees. The company said it will also file for

bankruptcy.” (George Avalos, “Fremont Solar Tech Firm Solyndra To Shut Down, Lay Off 1,100 Workers,” *The San Jose Mercury News*, 8/31/11)

- **Solyndra Was “Hemorrhaging Hundreds Of Millions Of Dollars For Years.”** “An Associated Press review of regulatory filings shows that Solyndra was hemorrhaging hundreds of millions of dollars for years before the Obama administration signed off on the original \$535 million loan guarantee in September 2009. The company eventually got \$528 million.” (Mathew Daly, “Obama Admin Reworked Solyndra Loan To Favor Donor,” [The Associated Press](#), 9/18/11)
- **Solyndra Employees Saw “Questionable Spending” Shortly After The Company Received Its Loan Guarantee.** “Former employees of Solyndra, the shuttered solar company that exhausted half a billion dollars of taxpayer money, said they saw questionable spending by management almost as soon as a federal agency approved a \$535 million government-backed loan for the start-up.” (Carol D. Leonnig and Joe Stephens, “Solyndra Employees: Company Suffered From Mismanagement, Heavy Spending,” [The Washington Post](#), 9/21/11)
- **“‘After We Got The Loan Guarantee, They Were Just Spending Money Left And Right,’ Said Former Solyndra Engineer Lindsey Eastburn. ‘Because We Were Doing Well, Nobody Cared. Because Of That Infusion Of Money, It Made People Sloppy.’”** (Carol D. Leonnig and Joe Stephens, “Solyndra Employees: Company Suffered From Mismanagement, Heavy Spending,” [The Washington Post](#), 9/21/11)

### ***Fisker Automotive Received A Nearly \$529 Million DOE Loan Guarantee***

**In 2009, The Department Of Energy Granted Fisker A \$528.7 Million Stimulus Loan Guarantee “For The Development Of Two Lines Of Plug-In Hybrids.”** “In September, Secretary Chu announced a \$528.7 million conditional loan for Fisker Automotive for the development of two lines of plug-in hybrids, which will save hundreds of millions gallons of gasoline and offset millions of tons of carbon pollution by 2016. Of the total loan, \$359 million is going to revive manufacturing at the Boxwood Plant. The Boxwood Plant will support Fisker Automotive’s Project NINA, the development and build of a mass-market plug-in hybrid sedan.” (Press Release, “Vice President Biden Announces Reopening Of Former GM Boxwood Plant,” [Office Of The Vice President](#), 10/27/09)

**In April, Fisker Automotive Announced That They Would Lay Off Most Workers In A Sign Of The “Death Of The Anaheim Company.”** “Stymied by unsuccessful efforts to craft a deal with Chinese investors to save the company, struggling carmaker Fisker Automotive laid off most of its workers Friday. Analysts said the move, combined with retaining a bankruptcy law firm last month, likely signals the death of the Anaheim company, which was founded by auto designer Henrik Fisker in 2007 with high hopes of selling highly styled hybrid sports cars and sedans.” (Jerry Hirsch, “U.S. Taxpayers Could Wind Up With Fisker Automotive Assets,” [Los Angeles Times](#), 4/5/13)

- **“Fisker Has Sold Just 2,000 Of Its Karma Hybrid Sports Cars And Hasn’t Assembled A Vehicle In About Nine Months.”** (Jerry Hirsch, “U.S. Taxpayers Could Wind Up With Fisker Automotive Assets,” [Los Angeles Times](#), 4/5/13)
- **The Energy Department Has “Seized \$21 Million From Fisker Automotive, The Financially Distressed Electric Carmaker That Has Drawn \$192 Million In Federal Loans.”** (Ben German, “Energy Dept. Recoups \$21 Million From Struggling Green Automaker,” [The Hill](#), 4/23/13)
- **In April, The Fisker CEO Admitted That No Cars Had Been Made In The United States.** REP. MARK MEADOWS: “How many of these vehicles were ever produced in the United States?” BERNHARD KOEHLER, FISKER CO-FOUNDER AND CHIEF EXECUTIVE OFFICER: “The Atlantic is in



development right now..." MEADOWS: "So, zero?" REINHARD: "Correct." (Committee on House Oversight and Government Reform Subcommittee on Economic Growth, Job Creation and Regulatory Affairs, [Hearing](#), 4/24/13)

## **AND FORMER SECRETARY OF DEFENSE LEON PANETTA USED TAXPAYER FUNDS FOR WEEKEND FLIGHTS TO CALIFORNIA**

**"The Admission By Defense Secretary Leon Panetta That He Has Been Flying Home Frequently To California On The Pentagon's Tab At The Cost Of \$32,000 Per Round Trip Is Another Headache."**

(Amie Parnes, "Twin GSA, Secret Service Scandals Pose New Threat To Obama," [The Hill](#), 4/19/12)

**As The Pentagon Advocated For Deep Cuts In The Defense Budget, Mr. Panetta Was "Cross-Country Commuting" Even Though "The President Singled Out Travel As An Area Ripe For Savings."**

"Mr. Panetta's cross-country commuting was first reported by the Los Angeles Times in September, although that report did not detail the extent of the trips. The expenses involved with the commute drew another look after President Obama issued marching orders in November calling for all Cabinet agencies to cut back on everything — from out-of-town conferences to cellphone use and officials gifts such as pencils and mugs. The president singled out travel as an area ripe for savings." (Susan Crabtree, "Panetta Paid \$17k For \$860K Commute To California," [The Washington Times](#), 4/6/12)