

Opening Statement of Congressman Marsha Blackburn

Energy and Commerce Subcommittee on Oversight and Investigations
September 14, 2011

Thank you Mr. Chairman.

First let me say, Mr. Zients, thank you for coming here this morning. All it took was a subpoena, a declared bankruptcy, and a FBI raid to get you to finally appear before this committee.

On August 31st Solyndra, the recipient of a \$535 million stimulus DOE loan guarantee, delivered American taxpayers another economic blow by declaring bankruptcy and laying off 1,100 employees.

From the very beginning this Administration was completely blinded from red flags and warning signs that were well documented long before Solyndra declared bankruptcy. Warning signs such as high product costs, a 2008 Fitch Ratings evaluation, a PricewaterhouseCoopers audit warning of recurring losses from operations and negative cash flows since inception and raised concerns from DOE and OMB employees. These warnings did not deter this Administration but only encouraged Vice President Joe Biden to exclaim that “this is what the recovery act is all about.”

The Administration’s refusal to acknowledge any warning signs reminds me of the Bruce Springsteen song, “Blinded by the light.” Only in this case the light that easily blinded this Administration was reflecting off of a Solyndra solar panel.

Solyndra is not the first example of a high risk, new and expensive commercially unproven product in a volatile market that has failed with government financing nor will it be the last. It is my hope that we can use this hearing today to examine the failings of Solyndra, the loan guarantee process, and examine other loan guarantee recipients- some which have received billions in government financing - to determine how many more taxpayer funded companies are at risk of collapse.

Thank you Mr. Chairman and I yield back.