



News Release

BYRON L. DORGAN
CHAIRMAN

FOR IMMEDIATE RELEASE
Thursday
February 25, 2010

FOR MORE INFORMATION:
CONTACT: Barry E. Piatt
PHONE: 202-224-0577

**Decision follows investigative
hearings by Senate DPC on inappropriate bonuses:**

**DORGAN: ARMY DECISION TO DENY MILLIONS IN BONUSES TO
CONTRACTOR KBR IS
“RIGHT CALL,” BUT ONLY A “FIRST STEP”**

(WASHINGTON, D.C.) --- U.S. Senator Byron Dorgan (D-ND), who chaired Senate hearings on electrocutions of soldiers in Iraq resulting from shoddy contracting work by KBR, said Thursday the Army’s decision to deny million of dollars in bonuses to the firm for its 2008 work in Iraq “is the right call, but it is only a first step.”

Dorgan chaired two Senate Democratic Policy Committee (DPC) hearings in 2008 and 2009 on KBR’s shoddy electrical work in Iraq. The hearings revealed widespread problems with KBR’s electrical work there including countless electrical shocks including one that killed Staff Sgt. Ryan Maseth, and perhaps others, and injured dozens more on their own bases as they showered and engaged in other routine activities.

Following the hearings, Dorgan and Senator Robert Casey (D-PA) wrote the Army asking that it review KBR’s work and the electrocution death of Staff Sgt. Ryan Maseth. They also asked the Army to re-evaluate the millions of dollars in bonuses it has routinely awarded KBR for supposedly excellent work, even when the Army’s own evidence made clear it was highly questionable.

The Army’s investigation of Maseth’s January 2008 death found that KBR’s work exposed soldiers to “unacceptable risk.” A theatre-wide safety review that resulted from the Dorgan-Casey request -- Task Force SAFE -- also found widespread problems with KBR’s electrical work that exposed soldiers to life threatening risks.

“The decision to deny KBR millions in bonuses for its work in 2008 is welcome news, and is a significant change from the Army’s past practice, but the Army clearly needs go much further,” Dorgan said. “Specifically, it needs to review the \$34 million bonus and other bonuses it awarded KBR for shoddy work that may have contributed to other electrocution deaths and other serious electrical shocks.”

Dorgan said the Army’s decision “will send a long overdue message to military contractors that they will be held accountable for their performance. But the Army needs to send that message much more powerfully. Not awarding a bonus for widespread sloppy contracting work that killed soldiers is just the beginning, not the end point, of accountability.”

Dorgan has chaired 21 Senate DPC hearings on waste, fraud and corruption in military contracting in Iraq and Afghanistan since 2003. Evidence at those hearings he said, “has been overwhelming that KBR’s work was shoddy and put the lives of U.S. soldiers at risk. KBR’s electrical workers were often unqualified, poorly trained and poorly supervised. When questions were raised, they simply denied there was a problem and proceeded with the same shoddy business as usual.”

END