U.S. Senate Committee on Commerce, Science, and Transportation <u>Nominations Hearing of Mr. Don Graves</u> <u>March 10, 2021</u> <u>Questions for the Record – Minority</u>

Ranking Member Roger Wicker

Question 1: Impact of the COVID-19 Pandemic on the Travel and Tourism Industry

The COVID-19 pandemic has devastated the travel and tourism industry, resulting in hundreds of billions of dollars and millions of jobs lost. Many are concerned that travel and tourism will be one of the last sectors of the economy to recover fully. The Department of Commerce has a number of tools at its disposal, including the National Travel and Tourism Office, to support the travel and tourism industry. What do you believe is the proper role of the Department of Commerce in supporting travel and tourism in the United States, and, if confirmed, how will you work to get the travel and tourism industry back up and running as we come out of the pandemic? Do you believe the National Travel and Tourism Strategy needs to be updated in light of the challenges the sector has faced in the past year, as well as looking forward?

Response:

The travel and tourism industry has been disproportionally affected by the COVID-19 restrictions on travel that have been put in place to protect public health. The Department of Commerce plays a leading role with respect to this sector. If confirmed, I will work with the National Travel and Tourism Office and the Commercial Service (both in the International Trade Administration), the Economic Development Administration, and public health authorities to help the industry recover.

The Secretary of Commerce chairs the Tourism Policy Council, an interagency council whose purpose is to coordinate policies and programs to support the sector. Secretary Raimondo has expressed her commitment to actively supporting the recovery of travel and tourism and, if confirmed, I will support her in those efforts.

Question 2: Office of Space Commerce/ Space Policy Directive-3/ SPACE Act

Today, the services offered by over 2,000 active satellites underpin much of our modern economy - such as communications, weather prediction, and GPS. But those satellites, as well as astronauts aboard the International Space Station, are threatened by hundreds of thousands of pieces of "junk" or space debris. In June of 2018, the National Space Council announced Space Policy Directive 3, which designated the Department of Commerce as the lead civil agency for space situational awareness and notification of satellite operators of potential conjunctions or collisions. Last year, Senator Cantwell and I introduced the SPACE Act to codify much of this directive. The Office of Space Commerce should be appropriately staffed and resourced to provide timely and accurate tracking and collision warning notifications to the growing number of commercial and international space operators. Do you agree that the Office of Space Commerce can play an important role in fostering American economic leadership and opportunities in space? Can you assure the committee that it will be appropriately prioritized and resourced?

Response:

I understand that NOAA and the Office of Space Commerce (OSC) play a key role in working with the U.S. commercial space industry. If confirmed, I look forward to learning more about the OSC and to working with Congress to ensure that it is properly resourced and can serve this important function.

<u>*Question 3*</u>: Senator Cantwell and I plan to reintroduce the SPACE Act soon. Will you review that legislation and work with us to protect the space environment?

Response:

I understand the importance of providing space situational awareness and traffic management to ensure safe and productive development in the space economy. If confirmed, I look forward to working with you to discuss legislation in this important area, including by communicating the Department's recommendations on areas of mutual interest and concern.

<u>Ouestion 4:</u> Cybersecurity and SolarWinds Cyberattack

As highlighted by the recently disclosed SolarWinds nation-state cyberattack, improving our nation's cybersecurity requires working closely with industry to develop and adopt best cybersecurity practices. We can start to address some of our cybersecurity challenges with swift implementation of the HACKED Act, focused on enhancing the National Institute of Standards and Technology's role in advancing the cybersecurity workforce and the CYBER LEAP Act, which directs the Department to carry out competitions to tackle cybersecurity challenges. I sponsored both pieces of legislation and am proud they were included in the Fiscal Year 2021 National Defense Authorization Act. Going forward, it is important to take into account the good work that the Department of Commerce has undertaken on these issues as the executive branch develops its cybersecurity strategy for all federal agencies. How would you advance the Department of Commerce's role in strengthening our nation's cybersecurity?

Response:

Strong and effective cybersecurity measures are needed to ensure that the private and public sector can rely on robust and trustworthy systems, and an expansion and transformation of our nation's workforce is needed to address current and projected severe shortages of cybersecurity-savvy workers.

If confirmed, I would support NIST's role in developing cybersecurity and privacy standards, guidelines, best practices, and other resources to meet the needs of U.S. industry, federal agencies, and the broader public essential to economic security and growth.

<u>Question 5:</u> Semiconductor Shortage

The global semiconductor shortage highlights the fragility of our nation's supply chains. Many manufacturers, including automotive, trucking, and power tool manufacturers in Mississippi and across the country, are facing setbacks due to the chip shortage. There may be near-term steps the Administration can take to address this shortage, but in the recent defense authorization bill, Congress also directed the Department of Commerce to incentivize longer-term investment in semiconductor fabrication, assembly, and research and development in the United States. What can the Department of Commerce do in the near and long-term to address the semiconductor shortage?

Response:

The Department of Commerce plays a key role in facilitating discussions with industry regarding the impact of the semiconductor chip shortage on the U.S. automotive manufacturing industry, as well as other key economic sectors. As you indicate, the NDAA, passed with overwhelming bi-partisan support, authorized a fund at Commerce to make the long-term investments we need to remain competitive in the semiconductor industry and shore up a supply chain critical to national and economic security. If confirmed, I will work to ensure that the Department works closely with the White House and Congress on plans for implementing a plan to address the semiconductor shortage.

Senator Ted Cruz

Question 1: Entity List

The Bureau of Industry and Security's Entity List is a valuable tool of the federal government to punish companies and nations that undermine the U.S.' economic and national security interests. I asked now-Secretary Raimondo about the Entity List extensively and she refused to provide specific answers on whether specific companies would remain on the list.

The Chinese government is currently engaged in an ongoing systemic genocide against Muslim Uighurs in Xinjiang, China. In recent years the United States has successfully utilized non-sanctions economic pressure to prevent the People's Republic of China from exploiting American technology and innovation to conduct human rights abuses and other malign activities. This is an area the prior administration was particularly active in.

• What role should the Department of Commerce play in combating Chinese economic espionage and utilizing the full extent of the Entity List to protect American companies?

Response:

It is my understanding that the U.S. government has utilized tools, like the Entity List, to prohibit U.S. exports that could be used to further the Uighurs' repression amidst ongoing systemic genocide.

If confirmed, I will support Secretary Raimondo's review of how the Bureau of Industry and Security's (BIS) authorities can continue to be leveraged to promote the protection of human rights, as Congress directed in the Export Control Reform Act (ECRA), including through review of license applications for human rights concerns and additions to the Entity List in connection with human rights abuses. I will also support Secretary Raimondo's efforts to ensure any proposed additions or removals from the Entity List comply with the policies and procedures of the Export Administration Regulations (EAR).

Finally, if confirmed, I will support the Secretary's efforts to encourage the use of the Entity List, the Military End User List, and other appropriate tools within the scope of Commerce authorities to protect U.S. national security and foreign policy interests.

<u>*Question 2:*</u> In 2019 I led an effort to add to the Entities List companies that the Chinese Communist Party uses to conduct their surveillance campaigns of the Uighurs in Xinjiang and other nefarious activities, and even introduced legislation mandating that some of those companies be listed, the TIANAMEN Act. In the fall of 2019 and in 2020, the Trump administration did so, adding batches of Chinese technology companies to the Entities List. I remain very concerned about the Biden administration's coziness with China. In answers for the record provided after her nominations hearing, Secretary Raimondo declined again to commit to keeping Chinese technology companies hostile to American democratic values on the Entities List.

• Do you believe Chinese tech companies like Huawei and ZTE should remain on the Entities List? If you disagree, why?

• What is the risk to American companies if Chinese companies are allowed access to the U.S. telecom network?

Response:

Telecommunications equipment made by untrusted vendors like Huawei is a threat to the security of the United States and our allies. I understand that parties are placed on the Entity List and the Military End User List generally because they pose a risk to U.S. national security or foreign policy interests. I currently have no reason to believe that entities on those lists should not be there.

If confirmed, I look forward to a briefing on these entities and others of concern. Furthermore, if confirmed, I will support the Secretary's efforts to encourage the use of the Entity List, the Military End User List, and other appropriate tools within the scope of Commerce authorities to protect U.S. national security and foreign policy interests.

Question 3: 2020 DNC Platform Committee

One of the core missions of the Department of Commerce is to promote economic growth and the free flow of commerce.

• Would you agree or disagree with that statement? If you disagree, please explain the core mission of the Department of Commerce.

Response:

I agree that the Department of Commerce is an instrumental entity in promoting economic growth and the free flow of commerce. If confirmed, I am committed to furthering the Department's role in this regard.

The work of the 2020 DNC Platform Committee does not relate specifically to the duties and responsibilities of the role for which I have been nominated. While the 15-person platform committee's work spanned a cross-section of issues, my role as a member of the committee was primarily to help manage the process for the platform's development.

The Deputy Secretary of Commerce's role is, by statute, to serve as the Chief Operating Officer for the Department, which includes but is not limited to the day-to-day management of the Department's bureaus. The role requires the incumbent to serve as the principal deputy to the Secretary in all matters affecting the Department and perform the continuing and special duties as the Secretary may assign from time to time. If confirmed, I am committed to carrying out these responsibilities and supporting the important work of the Department.

Question 4: You served as a member of the Platform Drafting Committee for the Democratic National Convention last summer. That platform endorsed following California's example and pursuing extreme executive actions like emissions standards, "[accelerating the adoption of zero-emission vehicles," and eliminating plastic waste and food waste (pg. 52).

The platform also says "we will immediately convene California and other states with labor, auto industry and environmental leaders to inform ambitious executive actions..." (pg. 52). California is one of the most out-of-touch and liberal states in the country. For example, last year, Governor Gavin Newsom signed an executive order banning the sale of combustion-engine vehicles in 2035.

- Was it your personal opinion while you served on the Committee that California is a role model for executive actions?
- o Should the United States ban internal-combustion vehicles?
- o If you answered yes, when should such a ban go into effect?
- o If you answered yes, what would this do to affect road-based travel?
- o If you answered yes, how would travelers refuel to complete their journey?
- If you answered yes, what would be the cost to retrofit homes and businesses to recharge EVs, and who would bear those costs?
- If you answered yes, has the federal government considered the environmental harm associated with mining metals necessary for EV batteries? What about the ethical concerns relating to the slave and child labor in parts of the supply chains for many EVs?

Response:

As a general matter, the work of the 2020 DNC Platform Committee did not relate specifically to the duties and responsibilities of the role for which I have been nominated. While the 15-person platform committee's work spanned a cross-section of issues, my role, as a member of the committee, was primarily to help manage the process for the platform's development, rather than its content.

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Question 5: The platform, and the Committee that you sat on, called President Trump's national emergency on the border "fabricated."

- Was it your personal position while you served on the Committee that the national emergency on the border was "fabricated"?
- If not, did you disagree with the DNC position that the border crisis is fabricated while you served as a committee member?

 \circ Is it your position now, that the situation we are witnessing at the border today is neither a crisis and/or that it is fabricated?

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Question 6: The platform says "Democrats believe we need to overhaul the criminal justice system from top to bottom..." and calls for investment in "education, jobs, healthcare, and housing" instead of "overpolicing." (pg. 35).

- The platform also calls for "reimagining public safety." What does "reimagining public safety" mean?
- Do you agree with the statement "we need to overhaul the criminal justice system from top to bottom"? If so, why? If not, why not?
- o How would you define "defund the police"?
- Do you support defunding the police?
- Did you support the riots perpetuated by Antifa in the name of the "Defund the Police" movement that occurred the summer of 2020? Why or why not?
- Many Democratic politicians endorsed donating to bail funds to help rioters get out of jail, including then-Senator and now Vice President Harris. In fact, the bail fund pushed by then-Senator Harris ended up bailing out not just rioters, but alleged murderers, attempted murderers, and a twice convicted rapist.¹ Did you donate to any bail relief funds this summer? If so, please disclose the recipient(s) of your donation(s) and the amount(s).

Response:

As a general matter, the work of the 2020 DNC Platform Committee did not relate specifically to the duties and responsibilities of the role for which I have been nominated. While the 15-person platform committee's work spanned a cross-section of issues, my role, as a member of the committee, was primarily to help manage the process for the platform's development, rather than its content.

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Question 7: The platform says "democrats will decriminalize marijuana use..." (pg. 37).

• Do you support this position?

o What other illegal drugs do you support making legal by executive action?

Response:

As a general matter, the work of the 2020 DNC Platform Committee did not relate specifically to the duties and responsibilities of the role for which I have been nominated. While the 15-person platform committee's work spanned a cross-section of issues, my role, as a member of the committee, was primarily to help manage the process for the platform's development, rather than its content.

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Question 8: Spectrum

The Department of Commerce's Office of Spectrum Management and NTIA manage the federal government's use of radio spectrum, an extremely valuable commodity that is in high demand.

- What is your philosophy regarding government-held spectrum and how do you plan to make more available for commercial use?
- How would you approach agency disagreements about spectrum allocation?

Response:

The National Telecommunications and Information Administration (NTIA) is the President's principal advisor on telecommunications and information policy matters including spectrum. NTIA has been successful over the past three decades in balancing the spectrum requirements of federal government agencies with the need to provide more spectrum resources for commercial network deployments.

If confirmed, I will continue to rely on NTIA as I work closely with the White House, other federal agencies, the Federal Communications Commission, the commercial sector, and

other stakeholders to understand requirements and find win-win solutions for government and industry.

In terms of agency disagreements over spectrum allocations, if confirmed, I will ensure that our longstanding interagency spectrum coordination processes are working at their full potential, and that we expedite and resolve any disputes through this process.

Question 9: One issue I have been continually concerned about is the nationalization of 5G. My concerns stem from the fact that this idea has yet to die. High profile individuals such as former Google CEO, Eric Schmidt, had high level meetings with the Trump administration in an effort to try and revive the push to nationalize 5G. Schmidt continues to enjoy access to senior government officials in the Biden administration. Late last year the Department of Defense issued a Request for Information on spectrum sharing, inquiring about the "potential issues with DoD owning and operating independent networks for its 5G operations."

To combat this initiative, last Congress I reintroduced the E-FRONTIER Act with Senator Cortez-Masto—a bill which enjoys broad, bipartisan support—to explicitly prohibit the nationalization of 5G. That bill was unanimously passed out of this Committee shortly thereafter, was reported to the full Senate, and but for the hold of one Senator, would have passed unanimously out of the Senate. Bottom line is, stakeholders and members of Congress agree that the United States does not need to behave like China in order to beat China in the race to 5G.

- Do you support the principles of the E-FRONTIER Act and would you support its passage and enactment into law, to prohibit the nationalization of our commercial broadband networks? If not, why?
- Do you believe it would it be a bad idea for the Biden administration to move forward with plans to nationalize 5G?

Response:

If confirmed, I would be happy to examine legislation and legislative proposals on this issue and work with the Department to provide technical assistance on this issue.

However, I personally do not support the nationalization of commercial broadband networks.

<u>Question 10</u>: Duplicative Programs

One issue I am particularly interested in is wasteful spending of taxpayer dollars through similar FCC, NTIA, and USDA broadband subsidy programs. Overbuilding undermines private competition and makes providers more reliant on federal subsidies. In a recent Commerce Committee hearing on federal broadband spending, several broadband experts were unable to fully quantify the amount of money the federal government has spent on broadband programs since it began trying to connect all Americans.

• Are existing programs effective?

- What more can be done to promote targeted assistance to rural and economically disadvantaged areas?
- How can this be achieved without throwing taxpayer dollars to providers and projects that have received subsidies through similar programs?

Coordination among federal agencies is a critical component of addressing duplicative programs. If confirmed, I look forward to reviewing programs within the Department of Commerce to find additional efficiencies.

As you may know, I have spent much of my career working to assist rural and economically disadvantaged communities.

If confirmed, I look forward to working with you on the matter of targeting assistance to communities across the country that need it most.

- Why does the United States lack a dominate communications infrastructure supplier, and do you believe this is to the national detriment?
- Does a software-based infrastructure give the United States a competitive advantage if it proves to be viable?

Response:

The United States is home to some of the world's leading technology firms, including telecommunications equipment and service providers. If confirmed, I will actively work to ensure that U.S. telecommunications companies are able to compete and win on a level playing field both domestically and globally.

Question 11: How should the U.S. incentivize domestic production? Are tax incentives a viable option?

Response:

If confirmed, I will work within the Administration to consider options to incentivize domestic production of 5G infrastructure. To this end, it is my understanding that the Department of Commerce's National Telecommunications and Information Administration (NTIA) hosted two industry listening sessions focused on market incentives for 5G security and vendor diversity to hear feedback from industry on actions that the U.S. government can take to support these objectives. If confirmed, I look forward to working with industry, the White House, and Congress to review these proposals.

<u>Question 12</u>: Trade enforcement

Approximately 40 million jobs in the U.S., and over 3 million in Texas, depend on international trade. Given that, it is vital that the United States do all it can to ensure a level playing field for American businesses.

• What do you plan to do in your role to protect Americans from unfair trade practices which put them at a disadvantage at home and abroad?

Response:

The Department of Commerce is committed to holding our trading partners accountable when they violate our laws and trade agreements. If confirmed, I will ensure that the Department continues to proactively monitor, identify, and resolve trade barriers and work with allies and likeminded trading partners to promote policies that support U.S. exports and encourage foreign investment into the United States.

<u>*Question 13:*</u> The Trump Administration made a concerted effort to combat China's egregious trade violations.

• Will you commit to continuing that effort in protecting American businesses from China's trade abuses, especially with regard to intellectual property theft and the unfair use of State-Owned Enterprises (SOEs)?

Response:

If confirmed, I will work with Congress to protect U.S. intellectual property and to protect U.S. businesses and consumers against the unfair use of State-Owned Enterprises (SOEs).

Question 14: Obama Jobs Council

In 2012, while you were executive director of the Jobs Council, the council issued dozens of recommendations intended to improve American competitiveness and strengthen the economy. In your nominations hearing, I asked you about the recommendations included in the year-end report and you declined to answer whether you agreed or disagreed with the recommendations when you were the executive director. You said "... the Jobs Council's recommendations were their own... I agreed in part and disagreed in part."

- Please explain the duties of your role as executive director, and what role you had in the final recommendations.
- If you disagreed with the recommendations, did you regularly disagree with recommendations and other policy decisions put forward by the Obama administration? If so, please specify which ones.

Do you agree or disagree with the following initiatives from the Council's report?² If you agree, please explain why. Similarly, if you do not agree, please explain why.

o "accelerating investment in infrastructure and energy" (pg. 6).

- o "Igniting entrepreneurship and increasing the number and scale of small businesses and high-growth firms" (pg. 6).
- o "Boosting job-creating inward investment into the Unites States through a National Investment Initiative" (pg. 6).
- o "Simplifying regulatory review and streamlining project approvals" (pg. 6).
- o "Ensuring that America has the talent to fill existing job openings and boost future job creation" (pg. 6).

In 2012, I was proud to serve my country as the non-member executive director of President Obama's Council on Jobs and Competitiveness. The Jobs Council was created to provide non-partisan advice to the President on continuing to strengthen the nation's economy and ensure the competitiveness of the United States and on ways to create jobs, opportunity, and prosperity for the American people.

The Jobs Council was made up of members appointed by the President who were distinguished citizens outside the federal government, including citizens chosen to serve as representatives of the various sectors of the economy to offer the diverse perspectives of the private sector, employers, and workers on how the Federal Government can best foster growth, competitiveness, innovation, and job creation.

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 15: The report states "[skills gaps] start in primary and secondary school, where the United States trails its peers in academic achievement, scoring lower in math than 30 of the other 65 countries and lower in science than 22 of the countries that participated in PISA tests for 15-year-olds" (pg. 6).

- Would you agree that school choice, which would allow students to escape underperforming schools and receive a quality education elsewhere, is important for closing the academic achievement gap?
- What lessons should the federal government learn from the remote learning that millions of students experienced during the pandemic?

Response:

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Question 16: In 2011, the statutory corporate tax rate was 39.2 percent- "*substantially higher than the average for other advanced nations*" (pg. 7). The Tax Cuts and Jobs Act (TCJA) lowered the statutory corporate tax rate to 26 percent in FY 2020.

- Did the lower statutory corporate tax rate that resulted from the TCJA improve U.S. competitiveness?
- President Biden recently stated his tax plan will increase the corporate tax rate to 28 percent. Would raising the corporate tax rate from 21 percent to 28 percent damage U.S. business competitiveness?

Would a higher corporate tax rate slow onshoring of manufacturing jobs?

Response:

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Question 17: The report states "the United States has a low-cost electricity advantage over many of its competitors due to our nation's diverse sources of energy, including recent breakthroughs in shale gas" (pg. 8).

- Do you agree breakthroughs in shale gas have improved both the United States' energy competitiveness and brought about a reduction in emissions as power plants have converted from coal to natural gas?
- Would a leasing moratorium, of any kind on any source of energy, undermine energy competitiveness?

Response:

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Question 18: The report also states "in energy, we need an 'all-in' strategy that harnesses our natural resource advantage and our gift for innovation..." (pg. 9).

o Do you agree with this statement? If so, why? If not, why not?

• If confirmed, will you commit to continue to harness our natural resource advantage?

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 19: The "*Play to Win*" recommendations focus on enhancing U.S. competitiveness (pg. 9). Do you agree with the following policies recommended? If so, please explain why, and if not, why not.

"we need to cut corporate taxes" (pg. 9).
"we need to... broaden the [tax] base" (pg. 9).
"we need to... improve the competitiveness of our tax code" (pg. 9).
"we need to emphasize smart and efficient regulation that protects people and the environment while unleashing economic growth" (pg. 9).

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 20: The report states "worker training is not tied closely to employer needs" (pg. 11) and "we know that workforce training that focuses on a particular industry and that provides longer-term training yields better outcomes, especially for low-income adults" (pg. 14).

• Do you support a tax credit to encourage individuals and businesses to donate to nonprofit scholarships for elementary, secondary, and vocational education opportunities? If not, why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 21: The report's education chapter also states "today, only one-quarter of America's 52 million K-12 students are performing on par with the average performance of the best five school systems in the world..." (pg. 12).

o To what degree are public schools responsible for this problem?

• Do you agree allowing families to escape underperforming schools and instead choose to send their students to schools where they can receive a quality education would improve educational achievement?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 22: The report states "every day, about 7,000 students drop out of school" and notes that "all of [the dropouts] are less likely to succeed in the workplace" (pg. 16). This is a tragedy and a failure of the public education system.

o Studies suggest there may be an additional 1 million high-school dropouts in the U.S. by fall 2021 if schools do not resume in-classroom instruction soon.⁴ Teachers Unions have repeatedly opposed full reopening and refute scientific evidence (and CDC guidelines)⁵ that conclude in-person schooling is safe. Do you agree with the scientific consensus that schools should be reopened for full-time in-person instruction?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 23: The report states "*we therefore need a competitive tax policy that incentivizes companies to locate their R&D, production and employment in the United States*" (pg. 23). Do you agree with this statement? If so, please explain how you reconcile your agreement with President Biden's desire to hike corporate taxes. If you do not, please explain why not.

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 24: The report also mentions the need to "guarantee private-sector inventors the fruits of their invention" (pg. 23).

- o If confirmed, how would you protect U.S. inventor's intellectual property from economic espionage?
- If confirmed, how would you support the commercialization of new frontiers? Specifically of space?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 25: The report calls the cost of a college degree "outsized" (pg. 25).

- Is the cost of higher education too high?
- If so, to what degree is the capitalization of federal dollars (Pell grants, Federal Student Aid, etc.) into the price of education responsible for the high price of higher education?
- What impact does a unionized workforce have on:
 - Workforce bloat in higher education?
 - The increased cost of higher education?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 26: The energy chapter of the report notes "our nation has an abundant supply of natural resources, and recent innovations in drilling have unlocked a century's worth of natural gas supply and enormously increased the production of unconventional oil" (pg. 28).

o Do you support taking advantage of the "abundant supply of natural resources?"

• Should the federal government continue to reap the benefits of "*a century's worth of natural gas supply*" made possible by technological innovation?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 27: Do you agree with the following excerpt: "continuing to deliver inexpensive and reliable energy is going to require the United States to optimize all of its natural resources and construct pathways (pipelines, transmission and distribution) to deliver electricity and fuel" (pg. 29)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 28: Do you agree with the following excerpt: "The Council recognizes the important safety and environmental concerns surrounding [pipeline, transmission, and distribution projects], but now more than ever, the jobs and economic and energy security benefits of these energy projects require us to tackle the issues head-on" (pg. 29)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 29: Do you agree with the following excerpt: "...expeditiously, though cautiously, move forward on projects that can support hundreds of thousands of jobs" (pg. 29)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily

represent my personal views. I would welcome a discussion in person with you about the reports.

Question 30: Do you agree with the following excerpt: "...regulatory and permitting obstacles that could threaten the development of some energy projects negatively impact jobs and weaken our energy infrastructure need to be addressed" (pg. 29)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 31: Do you agree with the following excerpt: "[coal, oil, natural gas, wind, solar, geothermal, uranium, and hydro] resources combined with technological advances presents an opportunity to develop a broad mix of fuel supplies, reduce emissions and help limit fuel price fluctuations" (pg. 29)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 32: Do you agree with the following excerpt: "while we believe the United States... needs to move deliberately and cost-effectively towards greater proportions of renewable and low carbon forms of energy, we recognize that this will be a long-term transition and that traditional forms of fossil energy will continue to be important to our economy..." (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

[Note: No question 33 was submitted.]

Question 34: Do you agree with the following excerpt: "As a nation, we need to take advantage of all our natural resources to spur economic growth, create jobs and reduce the country's dependence on foreign oil" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 35: Do you agree with the following excerpt: "First, we should allow more access to oil, natural gas, and coal opportunities on federal lands" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 36: Do you agree with the following excerpt: "Where sources of shale natural gas have been uncovered, federal, state and local authorities should encourage its safe and responsible extraction" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 37: Do you agree with the following excerpt: "further expanding and expediting the domestic production of fossil fuels both offshore and onshore will reduce America's reliance on foreign oil..." (pg. 30)? Why or why not?

o Do you agree the U.S. should reduce reliance on foreign oil? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily

represent my personal views. I would welcome a discussion in person with you about the reports.

Question 38: Do you agree with the following excerpt: "policies that encourage rapid lease development while emphasizing the highest safety standards will ensure companies responsibly drill for natural gas or oil and mine for coal or other our minerals in federal areas in a timely manner" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 39: Do you agree with the following excerpt: "...the U.S. government should make more areas available for renewable energy development" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 40: Do you agree with the following excerpt: "*The federal government should also streamline the permitting process...*" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 41: Do you agree with the following excerpt: "The Council recognizes that providing access to more areas for drilling, mining and renewable energy is controversial... we believe it's necessary to tap America's assets in a safe and responsible manner" (pg. 30)? Why or why not?

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 42: Do you agree with the following excerpt: "Additionally, policies that facilitate the safe, thoughtful and timely development of pipeline, transmission and distribution projects are necessary to facilitate the delivery of America's fuel and electricity and maintain the reliability of our nation's energy system" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 43: Do you agree with the following excerpt: "We must reduce our overall energy dependence through bold and achievable efficiency gains" (pg. 30)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 44: Do you agree with the following excerpt: "We can reduce our dependence on oil... by promoting alternative vehicle technologies, ranging from fully electric vehicles to hybrids to natural gas and alternative fuels" (pg. 31)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 45: Do you agree with the following excerpt: "*Rapidly evolving technologies in areas like natural gas drilling, 21st-century nuclear power, renewable energy, energy storage, coal*

gasification, electric vehicles, the smart grid and carbon capture, utilization and storage have enormous potential" (pg. 31)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 46: Do you agree with the following statement: "*regulations correct market failures and are sometimes essential for markets to function*" (pg. 41)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 47: Do you agree with the following statement: "regulatory *reform efforts – just like regulation itself – should provide net benefits to society*" (pg. 41)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 48: Do you agree with the following statement: "*regulations have both costs and benefits*" (pg. 41)? Why or why not?

• If yes, how does President Biden's memorandum *Modernizing Regulatory Review*,⁶ which added environmental stewardship and racial justice as cost consideration, affect the accuracy of cost-benefit analyses?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 49: Do you agree with the following statement: "*regulations should maximize net benefits*" (pg. 42)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 50: Do you agree with the following statement: "*no single element of cost or benefit should predetermine the regulatory outcome*" (pg. 42)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 51: Do you agree with the following statement: "*regulatory review should account for uncertainties and changing circumstances*" (pg. 42)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 52: Do you agree with the following statement: "the regulatory process should promote predictability and confidence in government" (pg. 42)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 53: Do you agree agencies should disclose data and costs, as suggested on page 43 of the report?

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 54: Do you support a regulatory portal, as recommended on page 43? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 55: Do you agree the transparency behind guidance documents needs to be improved, as recommended on page 43? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 56: Do you support a permitting program management office, as recommended on page 44? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 57: Do you support a permitting "one-stop shop," as recommended on page 44? Why or why not?

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 58: Do you agree with the following statement: "public confidence in government analysis is improved when it is reviewed by an independent party" (pg. 45)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 59: Do you agree the "system of corporate taxation [in 2012] hurts both business competitiveness and American workers, and cries out for reform" (pg. 46)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

Question 60: Do you agree with the following statement: "...as a society we must commit to... long-run deficit reduction" (pg. 46)? Why or why not?

Response:

The recommendations made by the Jobs Council were offered by the citizens sitting on the panel. They were meant to represent the views of the members and did not necessarily represent my personal views. I would welcome a discussion in person with you about the reports.

<u>Senator Jerry Moran</u>

Question 1: Section 232 Tariffs

As a candidate, President Biden committed to reviewing all tariffs put in place by the previous administration, including Section 232 national security tariffs that the Commerce Department oversees. In early February, President Biden re-imposed Section 232 tariffs on aluminum imports from the UAE, which President Trump removed before he left office. As part of the proclamation re-imposing tariffs on these imports, President Biden stated, "I consider it is necessary and appropriate in light of our national security interests to maintain, at this time, the tariff treatment applied to aluminum article imports from the United Arab Emirates."

- Is this statement representative of a belief of President Biden's that steel and aluminum imports are harmful to the US?
- Is the re-imposition of Section 232 tariffs on these aluminum imports a sign that President Biden's administration plans to maintain tariffs on steel and aluminum imports for the foreseeable future?
- Will you commit to me that you will take the increased input costs for manufacturers into account when reviewing Section 232 tariffs on steel and aluminum?

Response:

The Department of Commerce is charged with confronting unfair trade practices, whether those by China or other countries. If confirmed, I will work with the Department to employ all relevant and appropriate trade enforcement mechanisms to protect U.S. interests while aggressively promoting U.S. exports that benefit American workers and businesses, particularly our small and medium sized businesses.

In addition, if confirmed, I will support the efforts of the Department to continue to rigorously enforce the U.S. trade laws, including the Antidumping and Countervailing Duties (AD/CVD) laws, to help ensure that U.S. workers, farmers and businesses are not harmed by unfair imports from China or other countries. The Department has expressed that it is committed to helping all U.S. companies, and that it will work diligently to ensure U.S. companies have the market access and proper protections provided by our trade agreements.

It is my understanding that the Biden Administration is undertaking a review of the steel and aluminum Section 232 tariffs and that the President has the authority to make revisions to the tariffs. While it would be the President's prerogative, if confirmed, I will support the efforts of the Department to provide advice and technical assistance in that review and decision.

<u>Question 2:</u> NIST and Cybersecurity

NIST plays a critical role in the federal government's cybersecurity efforts, including through providing cybersecurity voluntary guidance to the private sector and coordinating interagency efforts in cybersecurity education, training, and workforce development.

How do you plan to support NIST's role in the federal government's cybersecurity efforts?

Response:

The National Institute of Standards and Technology (NIST) plays a unique role in cybersecurity by carrying out a broad range of cybersecurity assignments. It is critical that the federal government do an even better job of prioritizing, coordinating, and meeting the needs of agencies and companies.

If confirmed, I would work to help NIST tackle cybersecurity programs in discussions with leaders in other agencies and in the business world. And I would work to make certain that NIST has the appropriate resources needed to get the job done.

Question 2a: What will you do to ensure NIST's cybersecurity functions are being fully utilized, given the serious cybersecurity challenges facing the federal government and private sector in this country today?

Response:

With so many cybersecurity-related challenges, organizations simply cannot afford to manage their risks one by one or to treat them in isolation. Cybersecurity risks must be managed at the enterprise level and by using practical standards and guidelines. If confirmed, I plan to help NIST to identify the most valuable and timely tools and information to better inform enterprise risk management. Moreover, I would make it my business to spread the word about these solutions so that they are put into practice even more widely and with a greater sense of urgency.

<u>*Question 2b*</u>: Would you agree that the Department of Commerce, primarily via NIST, should take a more proactive role in encouraging adoption of cybersecurity standards & best practices — particularly around supply chains (last published in 2016) and digital identity (last published in 2017)?

Response:

There is no doubt that government and the private sector organizations alike must place a greater emphasis – and act – on cybersecurity issues, including digital identity and supply chain issues. If confirmed, I will work to strengthen the Department of Commerce's role in enabling and encouraging adoption of cybersecurity standards and best practices.

<u>Ouestion 3</u>: Privacy Shield and Data Privacy

As you know, the EU-US Privacy Shield framework was invalidated last July, placing commercial data transfers between the US and our European partners in jeopardy.

- How do you think the Department should proceed in working with our European counterparts on a new agreement to support data transfers?
- On a related note, how do you think having a federal data privacy standard would impact the adequacy concerns related to data transfers with our EU partners?

It is my understanding that negotiating an enhanced Privacy Shield and restoring stability to trans-Atlantic data flows are top priorities for the Department of Commerce. If confirmed, I will work on efforts to ensure negotiations continue for an enhanced Privacy Shield that addresses the Court of Justice of the European Union (CJEU) concerns and enables Privacy Shield to once again serve as a valid transfer mechanism for U.S. firms to receive personal data from the EU.

<u>Question 4</u>: Economic Development Administration:

I am a staunch supporter of the Economic Development Administration (EDA) within the Department of Commerce. The grant programs that EDA administers, such as the Regional Innovation Strategies program, are critical for supporting American innovation and promoting economic competitiveness. However, I continue to be concerned that the vast majority of growth within the U.S. innovation sector – 90% by some accounts – is occurring in only five metropolitan areas, all of which are located on the coasts.

• Do you agree that the agglomeration of the U.S. innovation sector is a troublesome trend? And, as Deputy Secretary, how would you ensure that EDA's programs are being used to expand the geographic extent of the innovation economy and best support all of our nation's innovators?

Response:

The Economic Development Administration's investment policy is designed to establish a foundation for sustainable job growth and the building of durable regional economies throughout the United States.

I have spent my career fighting to get funding for distressed communities. If confirmed, I can also assure you the staff at EDA will continue to assist communities across the country and not a handful of locations.

<u>Ouestion 5:</u> SolarWinds Federal Breach

On December 13, 2020, Reuters reported an alarming cyberattack campaign organized by Russian actors had breached multiple federal agencies. The Department of Commerce was one of the first departments to be identified as being breached as part of this cyberattack.

The SolarWinds compromise was as much of an attack on our economic security as our national security – and the situation demands a swift and deliberate response by federal agencies to harden cyber defenses and protect sensitive data.

What will be your plan, as Deputy Secretary, to address the need to strengthen the Department of Commerce's internal cyber defenses?

Response:

Strong and effective cybersecurity measures are needed to ensure that the private and public sector can rely on robust and trustworthy systems, and an expansion and transformation of our nation's workforce is needed to address current and projected severe shortages of cybersecurity-savvy workers.

If confirmed, I would support NIST's role in developing cybersecurity and privacy standards, guidelines, best practices, and other resources to meet the needs of U.S. industry, federal agencies, and the broader public essential to economic security and growth.

<u>Question 6:</u> COVID-19 Cybersecurity and Data Privacy

Due to the COVID-19 pandemic, a majority of Americans are working remotely. This presents a number of challenges for the cybersecurity of companies that have shifted to remote work, and opportunities for bad actors to take advantage of businesses operating in an unfamiliar posture.

Will you commit to strengthening cybersecurity workforce capabilities to secure and defend information infrastructure?

Response:

The shift to remote work and other changes brought on by the COVID-19 pandemic have reinforced the importance of, and need for, strong and effective cybersecurity practices and a strengthened cybersecurity workforce to secure and defend the Nation's information infrastructure. If confirmed, I commit to reinforcing NIST's leadership and efforts to bolster the Nation's cybersecurity workforce capabilities to meet the needs of U.S. industry, federal agencies, and the broader public.

<u>Question 7</u>: Spectrum Allocation

The Department of Commerce, through NTIA, manages the use of electromagnetic spectrum for the entire country. Vital operations of the federal government, ranging from National defense, to weather forecasts, to scientific discovery all utilize electromagnetic spectrum, and involve coordination efforts across multiple Federal agencies and departments. At the same time, companies and industries are finding and creating new applications that would use the same spectrum to increase economic opportunity and productivity.

- How will you balance the interests of the federal government activities with industries that would like to utilize the finite resources of radio spectrum?
- What role will you take as Deputy Secretary to coordinate efforts with other federal interests, like the Federal Communications Commission, that will protect national interests and also further economic growth?

NTIA is the President's principal advisor on telecommunications and information policy matters including spectrum. NTIA has worked over the past three decades to balance the spectrum requirements of federal government agencies with the need to provide more spectrum resources for commercial network deployments.

If confirmed, I will continue to rely on NTIA as I work closely with the White House, other federal agencies, the Federal Communications Commission, the commercial sector, and other stakeholders to understand requirements and find win-win solutions for government and industry.

<u>Senator Marsha Blackburn</u>

<u>**Ouestion 1:**</u> Regulatory Reform

The Department of Commerce's website states "Accelerating the development of new manufacturing plants and equipment, and infrastructure improvements are fundamental to our mission. We will be at the forefront of federal efforts to reduce regulations and shorten the timeframe for federal review of projects."

How do you plan on accelerating the deployment of infrastructure projects in America's rural communities? Can I trust that you will cut burdensome regulatory hurdles that impede infrastructure projects across this nation?

Response:

If confirmed, I look forward to working with the Department and Members of Congress to accelerate the development and deployment of new manufacturing plants and equipment, and to support infrastructure improvements to America's rural communities through existing and proposed Department programs, including regulatory reform efforts underway in response to the President's Executive Order 14005.

<u>Question 2:</u> Manufacturing

The biggest obstacle to bringing advanced manufacturing jobs back to states and communities is educating new workers.

How do you plan to work with businesses, states, and local entities to promote advanced manufacturing education?

Response:

If confirmed, I look forward to working with the Department and members of Congress on legislation to bring back manufacturing jobs to our states and communities. As part of that, the Commerce-led Manufacturing USA network, including institutes sponsored by the Departments of Commerce, Defense, and Energy, will continue to maintain a focus on education and workforce development in advanced manufacturing. The institutes work with U.S. manufacturers, universities, community colleges, and K-12 schools to organize programs both to upskill existing workers and to create a pipeline of new skilled workers, including training and educating underrepresented minorities, returning veterans, and underserved regions of the United States.

<u>**Question 3:</u>** Artificial Intelligence (AI)</u>

Artificial intelligence (AI) technology is proliferating and important considerations are being brought to light about both the benefits of the technology as well as the challenges. If confirmed, how will you work with key stakeholders, U.S. companies, & domestic experts on implementing AI standards processes?

If confirmed, I will support and strengthen the Department's efforts in maintaining U.S. leadership in development of Artificial intelligence (AI) standards. Specifically, I will support and strengthen NIST's current efforts in engaging the research community to strengthen the needed scientific foundation for development of technically sound standards; work with entities in the public and private sector in building institutional capacity to understand and engage in standardization processes; and most importantly, actively participate and lead development of technical standards for trustworthy AI.

Question 4: China

Trade talks with China will be continuing under the new administration.

- Do you support the current round of Tariffs? If so, do you plan to make changes to the exemption process?
- How do you plan to confront Chinese attempts to steal intellectual property?

Response:

If confirmed, I will work with Secretary Raimondo to ensure the Department continues to apply appropriate measures to counter anti-competitive behavior by China that hurts American workers and companies. It is my understanding that the Department is continually reviewing the process and scope of the 232 Exclusions Process to increase its efficiency and transparency. Regarding intellectual property, if confirmed, I will work to ensure that the Department will continue to recognize protection and enforcement of U.S. intellectual property rights as a trade policy priority.

<u>Question 5</u>: Semiconductors

China has targeted 5G and advanced telecommunications infrastructure equipment as key part of its global strategy, and the tactics the Chinese government adopted have disrupted key global supply chains in the information communications technology sector - including semiconductor manufacturing.

- What tools are available to Commerce prevent further disruptions in these markets?
- Furthermore, what can the Department of Commerce do to prevent deployment of Chinese components, particularly optical transmission components, in our communications networks?

Response:

It is my understanding that the Biden Administration is undertaking a comprehensive review of U.S. trade policy towards China as part of its overall China strategy and is committed to using all available tools to counter the range of China's unfair trade practices. The Department, through NIST, ITA, BIS, NTIA, and USPTO, has a broad array of tools that can be deployed to ensure the United States is positioned to outcompete China in key areas of research and development, strengthen U.S. engagement in standards development for emerging technologies, partner with U.S. allies, and protect U.S. intellectual property globally. If confirmed, I look forward to helping advance these important efforts.

<u>*Question 6:*</u> Through the NDAA, Congress took steps to support the on-shoring of the semiconductor industry; this included a R&D investment, public-private partnerships, and notably a grant program for the construction and expansion of manufacturing facilities. Given the critical importance of this industry and the chip shortages abound, how do you envision this Commerce Department-led grant program working?

Response:

If confirmed, I look forward to working across the Department and with the White House and Congress to fully implement the programs authorized in the Fiscal Year 2021 National Defense Authorization Act (NDAA). The goal of these programs is to regain U.S. semiconductor technology and R&D leadership, increase market share in bleeding-edge logic fabrication, and maintain market share in overall fabrication capacity, including older-generation logic and memory chips.

If fully funded, the Department will provide grants as authorized in the NDAA to support the construction of new fabrication facilities, including those at the leading edge (7nm and 5nm nodes) as well as expanding capacity at fabs producing memory chips, as well as older generation plants to ensure the U.S. retains its current 12% share of global fab capacity. In addition to the incentives for fab construction, if fully funded, the Department will work with the Department of Defense to establish a National Semiconductor Technology Center that would be a public private partnership that invests in new metrology, advanced packaging, worker training, and R&D investments to test and validate the next generation of design and production technology.

<u>Question 7</u>: Blockchain

If confirmed, how would you support a national strategy for blockchain technology to spur growth of American businesses?

Response:

If confirmed, I look forward to working with NIST to explore options for a national strategy for blockchain technology and ensure that economic security and the needs of American businesses are reflected.

<u>Senator Mike Lee</u>

<u>*Question 1:*</u> As Deputy Secretary of Commerce, you will have an important role in managing the National Telecommunications and Information Administration (NTIA), which manages spectrum assignments among federal government users.

- Do you think federal agencies currently use their spectrum efficiently?
- Should government agencies be immune from oversight of their use of the electromagnetic spectrum?
- I think Congress and Executive Branch agencies need the best available data to identify inefficiencies in both the Commercial and Government contexts. Will you support my legislation, the Government Spectrum Valuation Act, which would require NTIA to calculate the value or the "opportunity costs" associated with federal spectrum so that we can make more informed decisions?

Response:

Federal agencies must use spectrum, which is a limited national resource, both efficiently and effectively in order to meet the missions and mandates that Congress has enacted -ranging from national defense and homeland security to law enforcement, transportation safety, space exploration and many others.

Efficient and effective government use of spectrum can allow additional spectrum to be shared with, or otherwise repurposed, for the kinds of advanced commercial wireless services that have spurred economic growth and technological innovation over the past three decades. If confirmed, I will work with NTIA as it coordinates the efforts among the federal agencies, and with the Federal Communications Commission (FCC) to continue making spectrum available without compromising the government operations that protect our economic and national security.

Question 2: Should NTIA or a federal agency be able to "veto" an FCC decision to license a band for a commercial purpose, even after those federal agencies have been able to weigh in on the FCC's review?

- How would you handle disputes with the FCC over the licensing of a band for a commercial purpose?
- In making spectrum determinations, should NTIA defer to a federal agency's spectrum findings or should NTIA make their own independent, scientific judgments?
- In your opinion, is the current FCC/NTIA Memorandum of Understanding sufficient to govern interagency spectrum decision-making?

Response:

Under the Communications Act, the FCC has the authority to license and regulate nonfederal uses of spectrum. So, the Executive Branch, including the NTIA, does not have authority to veto an FCC decision to allocate or license commercial services in a band. However, the Communications Act does give the Executive Branch authority to assign and manage spectrum allocated for use by federal government agencies. In the national interest, NTIA does express the views of the Executive Branch and the federal agencies in FCC proceedings where Commission actions could affect spectrum-dependent federal operations. If confirmed, I believe that the existing processes, if followed in good faith by the FCC and federal agencies, can be used to lessen the need for escalating adjudications or for public disagreements over FCC decisions.

<u>*Question 3:*</u> Can you commit, as Secretary Raimondo did during her hearing, that you will oppose efforts to authorize or promote a nationalized 5G network?

Response:

Yes, I can commit to opposing efforts to authorize or promote a nationalized 5G network, as Secretary Raimondo has stated during her confirmation hearing.

I do not support or promote the idea of a nationalized 5G network. The private sector has developed and deployed wireless networks, including those based on 5G that make the U.S. the world leader in global wireless technology and services. Existing law and policy prevent agencies from competing with U.S. industry and I support maintaining these policies.

<u>*Question 4:*</u> Do you agree that China poses both economic and security threats to the United States?

- Why has China had such success attracting U.S. businesses particularly U.S. manufacturing? And what recommendations will you make to revive U.S. manufacturing?
- We know U.S. manufacturing costs are generally higher than China as well as other Asian markets. What contributes to these costs? Do U.S. regulations? Do U.S. labor costs? Are there areas of our domestic laws that make the United States an unattractive market for manufacturing?

Response:

I look forward to working with the Department and members of Congress on legislation to enact the President's campaign promise to Build Back Better, and in so doing improve our Nation's global competitiveness. As part of that, the NIST MEP National Network of Centers will continue to focus on helping small and medium manufacturers grow and compete by adopting new technology and processes to innovate products and improve productivity. In parallel, the Manufacturing USA program will continue to connect people and ideas to develop new technologies and solve industry-related advanced manufacturing challenges. These actions will contribute to reviving U.S. manufacturing and attracting U.S. manufacturers to expand operations domestically instead of in China or other nations. With respect to your second question, there are U.S. costs that can increase production costs such as labor and services relative to lower wage nations. NIST MEP and NIST help manufacturers identify opportunities to reduce these costs and maintain key regulation compliance through a combination of adopting best practices and adopting the latest innovative technologies.

<u>*Question 5:*</u> Article 1, Section 8 of the Constitution clearly gives Congress the authority to "lay and collect taxes, duties, imposts and excises" and "to regulate commerce with foreign nations." How do you view Congress' role in levying tariffs and duties on trade, and would you support Congress exercising increased control over the approval process for such measures?

- When should tariffs be imposed? And how do you weigh the costs of increasing such a trade barrier as opposed to the benefits of free trade?
- Do you agree that any broad-based increase in U.S. tariffs tend to have the biggest negative impact on low-income American households, which spend a larger share of their budgets on imported shoes, clothing, food, and household goods?

Response:

I share President Biden's and Secretary Raimondo's commitment to international trade that benefits all Americans and that creates high paying jobs here in the United States. If confirmed, I commit to working with Congress on tariffs and other trade issues to create a more prosperous America where the benefits of trade are shared equally by all Americans.

<u>Ouestion 6</u>: One of President Biden's first executive actions was to reverse President Trump's July memorandum ordering the U.S. Census Bureau to exclude illegal aliens from the census count. Recently, the Supreme Court declined to decide the case because it was not ripe. During oral arguments, it was admitted that the Census Bureau at the time did not know whether the number of illegal aliens would affect apportionment. Do you support President Biden's decision?

- If the illegal alien population of a particular state was sufficient enough to affect apportionment, would you at all be concerned that this illegal activity could benefit certain states with additional representation in the House of Representatives over others?
- Do the American people deserve an answer as to whether the illegal alien population affects the proportion of members in the U.S. House of Representatives?

Response:

Like Secretary Raimondo, if confirmed, I would support the President's Order on this topic and believe that the 2020 Census should count everyone. I agree that reapportionment be consistent with the Constitution and based on the total number of persons residing in the several states, without regard for immigration status. I also believe that it is essential that the 2020 Census count must be accurate and based on as reliable high-quality data as possible.

Question 7: States oftentimes use federal money only for simple projects, for compliance reasons, and they tend to use their own funds for difficult, complex projects because the regulatory burden that comes with federal requirements can raise the cost of the project by 20%. This is especially challenging in my home state of Utah where most of Utah's land is owned by the federal government. As governor, you appeared to champion cutting red tape and slashing regulations that were getting in the way of private entrepreneurship and innovation. How would you bring this deregulatory philosophy to the Department of Commerce?

• Can you identify any regulations or areas of policymaking at the Department you would like to see reduced?

Response:

If confirmed, I plan to take a comprehensive look at the Department's rulemaking process and would welcome a further discussion on this issue.

Question 8: The Biden Administration has announced it is conducting a comprehensive agencywide review of the U.S. supply chain for critical sectors. The review is largely focused on the U.S./China bilateral relationship. What guidance will you offer to Secretary Raimondo and President Biden on how this comprehensive review should inform the current review periods of the International Trade Commission (ITC)? And what metrics will guide you in determining whether to extend or maintain an existing ITC review period?

Response:

If confirmed, I look forward to reviewing further President Biden's Executive Order on America's Supply Chains. It is my understanding that the Secretary of Commerce is assigned lead responsibility for the report identifying risks in the semiconductor manufacturing and advanced packaging supply chains.

If confirmed, I plan to take a comprehensive look at the Department's ongoing work on this subject and would welcome a further discussion on this issue.

Senator Rick Scott

<u>*Question 1*</u>: Communist China continues to openly flout U.S laws and refuse to hold up their ends of trade deals with the United States. They are dead-set on being the dominant world power, and can't be trusted to play fair. Every single U.S. dollar spent in China supports a regime that jails its people for religious beliefs and denies basic human rights to its citizens.

• What is your plan to ensure that U.S citizens and taxpayer dollars are protected from Communist China, and how do you plan to hold them accountable in any future trade commitments?

Response:

China's aggressive, anticompetitive, and coercive trade policies hurt American workers and businesses. Holding China accountable in future trade commitments and ensuring that U.S. workers and firms benefit from trade agreements signed with other countries require a whole-of-government approach, in partnership with the U.S. Trade Representative, the Department of State, and other U.S. government agencies. If confirmed, I will work diligently to ensure U.S. exporters have the market access and proper protections provided by our trade agreements.

Question 2: I've been fighting to protect American national security and intellectual property by preventing the U.S. government from purchasing technology, like drones, with American tax dollars. I was glad to see the Department of Commerce add Chinese drone company, DJI, to the Entity List because of national security concerns. And earlier this year, former President Trump issued an EO directing U.S. agencies to prioritize removing Chinese-made drones from our government's fleets due to security risks. I also recently introduced the *Entity List Verification Act (S. 568)* which requires the Secretary of Commerce to provide certification to Congress that an entity is not a national security risk before it is removed from the Entity List.

- Can you confirm that you intend to keep DJI on the Entity List?
- What further action can the Department of Commerce take against companies like DJI, and any other Chinese-based company, that pose such obvious national security threats?

Response:

The United States is engaged in strategic competition with China, and technology is a central domain of that competition. We should have no illusions about China's objectives, which I believe are to undercut America's longstanding technological advantage and to displace America as the global leader in cutting-edge research and development and the industries of the future. The national security and economic consequences of allowing that to happen are simply unacceptable. That is the bottom-line perspective I will bring to this role, if confirmed.

With respect to the Entity List, I understand that parties are placed on the Entity List and the Military End User List generally because they pose a risk to U.S. national security or foreign policy interests. I currently have no reason to believe that entities on those lists

should not be there. If confirmed, I look forward to a briefing on these entities and others of concern. I further understand that the Department has an ongoing process in place to identify and review activities of the Chinese government as well as commercial entities and their affiliates to determine whether placement of additional entities on the Entity List and/or the Military End User List is warranted. I understand that this is an interagency process. If confirmed, I will support the Secretary's efforts to encourage the use of the Entity List, the Military End User List, and other appropriate tools within the scope of Commerce authorities to protect U.S. national security and foreign policy interests.

<u>*Question 3*</u>: Our nation is competing against known adversaries like Communist China and Russia in the space launch industry, and we must put American interests and national security first. I co-sponsored the American Space Commerce Act to bolster the domestic space industry and to ensure the U.S. remains a leader in space exploration. What is your plan to continue growing the domestic space industry?

Response:

The Department and the Administration have a role to play in supporting the domestic space industry, while ensuring safe and productive development in this shared domain. If confirmed, I look forward to working with you as you develop legislation in this important area and to communicating the Department's recommendations on areas of mutual interest and concern.

Question 4: One of the main roles of the Department of Commerce is to promote job creation and economic growth, but the Biden Administration has called for a new national minimum wage of \$15 an hour. Reports indicate this mandate would cost as many as 1.4 million Americans their jobs. Small businesses in America are struggling like never before – especially in liberal states where repeated lockdowns have left them fighting to stay open. They're competing against big-box stores that are experiencing record sales. It is disappointing that President Biden seems to believe now is the time to create another mandate on their back and drive even more Americans chasing the dream of this country out of business.

• Can you explain your view of a federally-mandated \$15 minimum wage, and if implemented, how you'd work to mitigate the effects on small businesses, so they can afford to keep their doors open?

Response:

As I noted at my confirmation hearing, if confirmed, I would follow the lead of President Biden in this area. I believe that an increase in the minimum wage would bring millions of people out of poverty and help grow further prosperity.

<u>*Question 5:*</u> I'm proud to be the Ranking Member of the tourism, trade, and export promotion subcommittee alongside my colleague, Senator Rosen. The travel and tourism industry is an important role in interstate commerce and the U.S. economy, especially in my state of Florida,

and I'm extremely concerned about the effects that COVID has placed on this industry and the jobs that depend on it.

• What is your recovery plan for the travel and tourism industry?

Response:

The travel and tourism industry has been disproportionally affected by the COVID-19 restrictions on travel that have been put in place to provide for public health. The Department of Commerce plays a leading role with respect to this sector. If confirmed, I will work with the National Travel and Tourism Office and the Commercial Service (both in the International Trade Administration), the Economic Development Administration, and public health authorities to help the industry recover.

The Secretary of Commerce chairs the Tourism Policy Council, an interagency council whose purpose is to coordinate policies and programs to support the sector. Secretary Raimondo has expressed her commitment to actively supporting the recovery of travel and tourism and, if confirmed, I will support her in those efforts.

<u>*Question 6:*</u> In 2019, the Department of Commerce finalized a Suspension Agreement on Fresh Tomatoes from Mexico, which according to the Department, "completely eliminates the injurious effects of unfairly priced Mexican tomatoes" and "protects U.S. tomato producers from unfair trade."

However, it is my understanding that there is a growing list of violations of the Agreement by Mexican tomato producers and their importer partners in the U.S., and that, to date, the Department of Commerce has taken no disciplinary action against those violators. This inaction will only embolden the Mexican tomato industry to ignore the terms of the Tomato Suspension Agreement, and violations will quickly grow to the point where the Suspension Agreement is useless in preventing injury to the U.S. tomato industry.

- Will the Biden Administration enforce U.S. unfair trade laws aggressively, so they will be effective in remedying the injury caused to U.S. companies, workers and farmers by unfairly traded imports?
- Under the Biden Administration, will the Commerce Department take immediate action to stop violations of the Tomato Suspension Agreement?

Response:

I understand that the Department of Commerce's Enforcement & Compliance unit is vigorously enforcing and monitoring the 2019 Suspension Agreement on Fresh Tomatoes from Mexico. It is also my understanding that this agreement contains unprecedented tools for enforcing the agreement, including inspections by the U.S. Department of Agriculture for quality and condition defects of certain tomato types near the border after entering the

United States and the ability to perform special audits of up to 40 Mexican signatories and up to 40 selling agents each quarter.

I can assure you that, if confirmed, I will ensure that the Department continues its rigorous enforcement of this agreement, including fully examining alleged non-compliance and possible violations, as well as by consulting closely with USDA, its Perishable Agricultural Commodities Act division, and U.S. Customs and Border Protection, as appropriate.