

Chairman Jerry Moran Opening Statement
Committee on Appropriations Subcommittee on Commerce, Justice, Science, and Related
Agencies

Hearing to Review the FY2019 Budget Request for the U.S. Department of Commerce

May 10, 2018

(As prepared for delivery)

Good morning and welcome to the second budget hearing of the Senate Appropriations Subcommittee on Commerce, Justice, Science, and Related Agencies for fiscal year 2019. Today, we will hear from Secretary of Commerce Wilbur Ross about the president's FY 2019 funding priorities for the Department of Commerce.

We welcome you, Secretary Ross, and look forward to your testimony this morning.

The Department of Commerce executes a broad range of activities critical to our nation, which include: working with distressed communities to support economic development; managing the federal use of spectrum and utilizing broadband programs to enhance safety and promote economic growth; enforcing trade laws to make certain American businesses can compete on a level playing field; operating weather satellites and forecasting severe storms; and conducting a cost-effective and accurate Decennial Census, among others.

As I noted at our last hearing, the administration's budget request was produced before the recently enacted FY 2018 bill was finalized and became law. The President's FY 2019 request is \$9.8 billion, which is \$1.3 billion below the FY 2018 enacted level, representing a 13 percent decrease in the Department's overall budget.

Critical to the continued economic competitiveness of Kansas, the Economic Development Administration (EDA) within the Department of Commerce bolsters the capacity of individuals, businesses, and communities by maximizing local talent and institutions to innovate and grow jobs. EDA also provides small but valuable investments for economically distressed areas to spur development and support job creation. EDA's Regional Innovation Program is particularly popular for those interested in business development in my home state of Kansas.

Likewise, NIST's Manufacturing Extension Partnership (MEP) program is strongly supported in the business community as a positive example of a public-private partnership that leads to innovation and job creation. Representing a rural yet multifaceted state like Kansas, I continue to support these programs, which allow states and localities to steer priorities to address their specific economic development needs. Directly linked to programs that support job creation is the ability to access high-speed broadband capabilities.

The Department oversees federal use of spectrum and manages broadband grants through the National Telecommunications and Information Administration (NTIA). There is concern in my home state and in states across the country that communities are not able to fully access broadband because they live in either under-served or unserved areas. I am interested to hear how the Department is currently working to address this problem and how the FY 2019 request will further support efforts to understand where broadband access is lacking in our country.

Additionally, I would like to know how NTIA is using the \$7.5 million this Subcommittee provided in FY 2018 to update the national broadband availability map in coordination with the Federal Communications Commission (FCC), and how it will affect NTIA's focus on broadband in the future. Effective deployment of federal broadband resources is completely dependent upon the data identifying unserved and underserved areas.

Mr. Secretary, your Department also plays a significant role in our nation's trade policies. Recently, you have been at the forefront of recommending tariffs on certain imports of steel and aluminum, as well as affirming a preliminary antidumping duty determination for uncoated groundwood paper.

From the Subcommittee's standpoint, I would like to hear what resource needs the Department expects to encounter in FY 2019 to address its increased trade enforcement activities.

Furthermore, I want to convey the deep concern Kansas farmers and ranchers have shared with me regarding the retaliatory tariffs imposed on American agricultural products in response to the Department's enforcement activities.

Kansas is an export state, and our economy relies on the ability to sell products we grow and manufacture to consumers around the world. Our nation must be tougher in enforcing trade agreements. However, when enforcing trade rules we must be mindful of the negative impacts retaliation can have on our domestic products. Achieving this balance will require continued congressional oversight, including this Subcommittee closely monitoring the funding provided for trade activities. I look forward to hearing more about the Department's plan to ensure our trade policies benefit our nation's farmers, ranchers, and other exporters.

I was pleased to see the administration request full funding for NOAA's flagship weather satellites, which provide important data for weather forecasting to protect our nation's citizens. However, I am only cautiously optimistic about the cost-savings the Department believes will come from consolidating NOAA's polar-orbiting satellites into a single program. These satellites contribute more than 80 percent of the data needed for numerical weather prediction models to

forecast hurricanes and severe storms. Mr. Secretary, we must ensure that our nation's weather satellites are adequately resourced in FY 2019 to keep them on budget and on schedule.

Finally, this Subcommittee continues to closely monitor the Department's activities leading up to the 2020 Decennial Census. The Census provides vital data about our nation that directly impacts each state's representation in Congress, as well as the distribution of billions in formula-based federal funding among states and localities. There is concern that the increased estimated costs identified by the Department's independent review and the need to scale back the number of sites for the dress rehearsal end-to-end test could be indicators of future cost growth.

Furthermore, the resource needs for the 2020 Census creates significant funding pressure on the Department's budget overall. The Department must ensure it meets the constitutional mandate for the 2020 Census, and this Subcommittee wants to be assured that funding requested in FY 2019 will accomplish this task.

Mr. Secretary, I look forward to hearing your views on these and other matters during today's hearing.

I now turn to our Ranking Member, Senator Shaheen, for her opening statement.

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