

COMMITTEE on **APPROPRIATIONS** CHAIRWOMAN BARBARA A. MIKULSKI

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CHAIRWOMAN MIKULSKI ENCOURAGES SECRETARY OF COMMERCE PRITZKER TO KEEP THE ECONOMY ROLLING

Chairwoman Cites Job Creation, Weather Prediction and Cyber Protection As Keys For Commerce Department During FY 2015 Hearing

WASHINGTON—U.S. Senator Barbara A. Mikulski (D-Md.), Chairwoman of the Senate Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies (CJS), today chairs an annual oversight and budget hearing for the U.S. Commerce Department with testimony from Secretary Penny Pritzker.

Chairwoman Mikulski's opening remarks, as prepared for delivery, follow:

"This is one of 60 hearings the Appropriations Committee will hold over a six week period. We are doing our due diligence and the necessary work to get the job done. Our goal is to enact all 12 Appropriations bills before October 1, for the first time since 1996, in order to restore regular order - which means certainty and reliability in the Appropriations process.

"Today we will hear from Secretary Penny Pritzker about the Department Commerce's fiscal year 2015 budget request and priorities. We also have written testimony from Commerce's Inspector General Todd Zinser.

"We welcome Secretary Pritzker, who joined the Commerce Department in June of last year. We are very lucky to have her. She has a strong business background and has been a great leader at Commerce. Now she is the CEO of the Department of Commerce and America's Businesswoman in Chief, a leader to keep the economy rolling through trade, innovation, and jobs.

"The Commerce Department is a major economic engine for America. The President's request totals \$8.8 billion for the Department. Today my goal is to examine how these funds will spur innovation. That includes safeguarding our intellectual property, and enforcing our trade laws. I want to know how the Department will create jobs, increase exports, and promote economic growth. We will also discuss how Commerces protects our citizens through forecasts and warnings about severe weather. Finally, is Commerce doing all it can to protect taxpayer dollars and use funds wisely?

"The Secretary of Commerce is the spokesperson for American business. But the Secretary is also the chief manager responsible for addressing major challenges and persistent problems that need strong oversight including the National Oceanic and Atmospheric Administration's satellite procurement and the 2020 Census.

"The Department of Commerce needs to be cyber-obsessed, creating ways to protect its own DOT.GOV systems, while working with the private sector to better protect DOT.COM. I want to be clear – cybersecurity is not surveillance. Cybersecurity means understanding and protecting us and our information from criminals out to steal our credit card information and personal identities, and to rob companies' intellectual property.

"The total fiscal year 2015 National Institutes for Standards and Technology budget request is \$900 million, and includes \$91 million for cybersecurity, research, and partnerships with private sector. NIST's job is to partner with the private sector to solve today's cybersecurity problems. Earlier this year, NIST issued the voluntary Framework for Improving Critical Infrastructure Cybersecurity. Through research in the labs and at the National Cybersecurity Center of Excellence, NIST is generating innovation that protects people and companies, and creates cybersecurity jobs of the future that can never leave the United States.

"NIST is not the only agency standing sentry over American innovation. The Patent and Trademark Office protects ideas and inventions helping America's economy thrive. Inventors' new ideas become new products and, through entrepreneurship, new companies that create jobs. But inventors need a patent office to protect their ideas. The PTO is improving and getting patents out faster, but it can do more. More than 600,000 patents are waiting for approval, and it takes almost two and a half years to get a patent. PTO needs strong oversight from the Secretary and Congress. The PTO has been functioning without a Director since February 1, 2013.

"Once a product is invented, we need to sell it around the world. The International Trade Administration enforces our trade laws and agreements, protecting entire American industries. It promotes American products internationally and brings companies and jobs home to the United States. ITA's budget request of \$507 million is an increase of \$37 million above the fiscal year 2014 level of \$470 million. The ITA's Foreign Commercial Service helps American companies sell more goods overseas, getting products from American manufacturers to international customers. Exporting American goods and services supports roughly 10 million jobs in the U.S.

"The Economic Development Administration invests in communities in all 50 states. EDA provides funding for projects such as water infrastructure for new hospitals, supporting thousands of local workers. Projects that promote infrastructure and innovation set our small businesses up for success. Every dollar put into the community through EDA grants leverages \$10 in local investment and creates jobs throughout the country.

"When it comes to protecting people, every member of this Subcommittee is pro-weather and pro-science. America has experienced several severe weather events these past few years and scientists suggest that extreme weather will continue. NOAA's satellites need to be fit for duty. We owe it to our communities, especially to the coastal states that depend on accurate hurricane forecasts and to the interior states that depend on timely tornado warnings. One-third of our GDP is directly affected by the weather. While Commerce's budget shows continued reforms to NOAA's satellite programs in response to critical reviews from this Committee and expert outside analysts, I remain concerned about the stability of these important satellite programs.

"The Inspector General identified Census planning and management as a key challenge for the Department of Commerce. Controlling costs for the 2020 Census is a top oversight concern for the Inspector General, the Government Accountability Office, and the Appropriations Committee. The budget request of \$1.2 billion for the Census is an increase of \$266 million above the fiscal year 2014 level of \$945 million to prepare for 2020 Census. I want to know what is being done to make the 2020 Census less expensive than the 2010 Census and to prevent techno-boondoggles that caused 2010 Census costs to skyrocket.

"I want to thank all the men and women of the Commerce Department-- trade experts, statisticians, patent and trademark examiners, scientists and engineers, ocean surveyors, and weather forecasters. They work hard every day promoting American businesses, protecting American ideas and resources, keeping our economy moving forward and creating jobs. Secretary Pritzker – thank you for your leadership and also for your continued oversight of the Department of Commerce. We look forward to hearing your testimony.