



Chairman Hal Rogers

House Committee on Appropriations

Fiscal Year 2017 Budget Hearing: Commerce
February 23, 2016
Opening Statement As Prepared

Mr. Chairman, thank you for yielding. Madam Secretary, welcome. I appreciate you being with us today to discuss the Fiscal Year 2017 budget request for the Department of Commerce.

As you know, last year Congress and the President reached an agreement setting discretionary budget caps for Fiscal Year 2016 and 2017. I am proud that we crafted an Omnibus bill for FY 2016 that adhered to the terms of that bipartisan agreement. It's not always easy to live within our means – but it is necessary and responsible. That is why I am disappointed that the President has chosen to put forth a budget request that is filled with gimmicks in order to side skirt the very same budget caps that he signed into law last year. The budget you submitted to us requests \$2 billion in new mandatory funding, making this budget effectively dead on arrival. For Fiscal Year 2017, the Department of Commerce requested \$9.73 billion in discretionary funding, which is a 5% increase over Fiscal Year 2016 enacted levels. This number proposes increases for nearly every agency and every program at the Department of Commerce. Given current law under the Bipartisan Budget Agreement, this is unrealistic to say the least.

It is the job of this committee to ensure that the programs that serve taxpayers well, are funded responsibly. Innovation and job creation are essential to growing the national, regional, and state economies – and despite this unrealistic budget submission, your agency does do a lot of great work, including in my home state of Kentucky. Over the last seven years, my region has been hit hard with the loss of over 10,000 coal jobs and, more recently, the temporary shuttering of the AK Steel plant in Ashland. Regions like Appalachia that have been forced to diversify their economies as a result of a hostile regulatory environment and emerging energy technologies have had to think creatively and strategically about next steps. From the grassroots level, we have worked on a regional community development initiative known as Shaping Our Appalachian Region (SOAR). Last summer, the Assistant Secretary of Commerce for Economic Development, Jay Williams, came down to address the second annual SOAR Summit attendees. During his remarks, he shared lessons learned from serving as the former Mayor of Youngstown, Ohio, and explained how our communities can leverage Economic Development Administration resources to help create jobs and opportunities for new businesses across the Appalachian region. I appreciate the time Assistant Secretary Williams spent in Kentucky.

As he mentioned, the Department of Commerce has many programs that have helped and can continue to help these struggling coal mining communities. For Fiscal Year 2017, the President's budget proposes to continue to fund the POWER Plus plan, but does not include a specific funding amount or propose to continue funding the Assistance to Coal Communities program

within EDA. This is despite the fact that Congress has included clear direction in the last three omnibus bills to support coal communities. I would be remiss if I did not mention, even though it is outside your purview, that I continue to believe that POWER Plus is toothless without regulatory relief for these coal mining communities. I look forward to hearing your plan for these important programs in the future.

Additionally, the U.S. steel market has been flooded by cheap imports from around the world. This illegal dumping of steel in America has put many of the U.S. steel makers in jeopardy. Across the country, steel companies are closing facilities and sending their employees home. The President's Budget requests an increase for the International Trade Administration, but only a small portion is targeted toward enforcement and compliance. With this continuous, increasing pressure on U.S. steel companies, I am deeply troubled by the allocation of the requested budget increase. I look forward to hearing about how you plan to address the unfair policies that countries like China are pursuing to the detriment of U.S. manufacturers and workers.

We undoubtedly have many challenges ahead, and I look forward to working with you throughout this process. Thank you for joining us today, Madam Secretary, I look forward to hearing your testimony. Thank you, Mr. Chairman, and I yield back.

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