

**Statement of
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Secretary
U.S. Department of Commerce**

**Before the
House Committee on Appropriations
Subcommittee on Commerce, Justice, Science and Related Agencies**

“Department of Commerce Fiscal Year 2022 Discretionary Request”

May 6, 2021

Chairman Cartwright, Ranking Member Aderholt, and members of the Subcommittee, thank you for this opportunity to discuss President Biden’s Fiscal Year 2022 Discretionary Request for the U.S. Department of Commerce. These priorities build upon the important investments you enacted in 2021 and I am grateful for your steadfast support of the Department.

As you know, the Department of Commerce is responsible for promoting job creation, supporting and overseeing international trade, and providing economic, environmental, and scientific information needed by businesses, citizens, and governments. President Biden’s Discretionary Request includes \$11.4 billion for the Department of Commerce, a 27% increase above the 2021 enacted level. With these funds we will maintain existing programs and activities and make critical investments necessary to boost the nation’s ability to address the crises we face today.

This year’s appropriations process arrives during one of the most difficult periods in the nation’s history. America faces four simultaneous crises of unprecedented scope: a once-in-a-century pandemic that has already claimed more than half a million American lives; a punishing economic crisis that has left nearly 10 million out of work; a national reckoning on racial inequity; and the increasing threat of climate change to the American people and economy. The Department of Commerce has been providing critical assistance to confront and address each of these crises. For example:

- The National Institute of Standards and Technology, or NIST, researchers developed a way to increase the sensitivity and accuracy of the common swab test for COVID-19, improving our understanding of the pandemic;
- The Economic Development Administration, or EDA, has already awarded more than \$1 billion in grants to help communities and businesses across the country recover from the economic crisis and has another \$3 billion in the pipeline;
- The Minority Business Development Agency, or MBDA, enabled technical assistance programs that helped minority business enterprises execute more than \$7.9 billion in transactions in 2020 and has additional programs in the works this year; and
- The National Oceanic and Atmospheric Administration, or NOAA, continues to save lives and property by providing early warning systems and decision-support tools to

avoid the most devastating impacts of extreme weather events, many of which are increasing in frequency and intensity due to climate change.

I am very proud of the work the dedicated career employees at the Department do every day to address these crises. At the same time, I am also cognizant of the immense challenges that remain. To fully address these challenges, we must boost strategic investments to support American manufacturing, spur research and technological innovation, advance economic recovery in underserved communities, invest in climate science and research, improve weather and climate forecasting, and strengthen American competitiveness and security.

President Biden's Discretionary Request puts forward investments that do just that. I am confident that the request will address today's crises and help American businesses create well-paying jobs for American workers, allow American businesses of all sizes to compete on an equal playing field, and empower a more equitable economy.

I recognize that none of these investments or goals are possible without the support of the Congress and especially the members of this Committee. I look forward to working with you all in the coming year to fund all of Commerce's programs, and increase investments in the following key initiatives:

Support American Manufacturing

Manufacturing has long been the backbone of our country and we must strengthen our manufacturing to move America forward. To ensure robust resurgence of American manufacturing and increase the security and resilience of our supply chain, the Discretionary Request more than doubles funding for the Department's most effective manufacturing programs: the Manufacturing Innovation Institutes Program (MII) and the Manufacturing Extension Partnership (MEP).

A Manufacturing Innovation Institute is a public-private partnership of companies, academia, state and local governments, and federal agencies that co-invest in developing world-leading technologies and capabilities. The Discretionary Request calls for an additional \$150 million for two new MIIs, one of which will help restore the United States as the global leader in the design and manufacture of semiconductors. It also calls for an additional \$125 million for MEP. The MEP National Network consists of 51 MEP Centers located in all 50 states and Puerto Rico. The additional funds will enable them to strengthen domestic supply chains and help small and medium manufacturers improve their competitiveness.

Spur Research and Technological Innovation

Public investments in research and development lay the foundation for future breakthroughs that generate new businesses, jobs, and exportable goods. The Discretionary Request calls for \$916 million, an increase of \$128 million over the 2021 enacted level, to expand scientific and technological research at NIST. With this investment, NIST will spur research advances in climate-resilient building codes, computing, cybersecurity, artificial intelligence, quantum information science, biotechnology, and advanced manufacturing.

U.S. leadership in advanced communications requires commercial operators to have access to a full array of spectrum bands to share with federal agencies. This Discretionary Request includes \$39 million for advanced communications research at the National Telecommunications and Information Administration, or NTIA, to support the development and deployment of broadband and 5G technologies, by identifying innovative approaches to spectrum sharing, including research using the Federal Advanced Communications Test Site (FACTS) at NTIA's Table Mountain field site in Boulder, Colorado.

Advance Economic Recovery in Underserved Communities

Every American should have an equal chance to pursue their potential. Yet, for far too many Americans, this has never been within reach. The President's 2022 Discretionary Request calls for \$70 million for MBDA to expand opportunities for minority-owned businesses and help eliminate barriers for minority-owned firms. The request also will elevate MBDA's position within the Department of Commerce and establish an Assistant Secretary for MBDA.

The Discretionary Request also will prioritize creating good jobs by revitalizing former energy communities. To spur economic revitalization and support energy workers, the request includes \$84 million, an increase of \$50 million over the 2021 enacted level, for EDA's Assistance to Coal Communities Program. These funds will help ensure that communities most impacted by the transition to clean energy are not left behind. EDA's efforts are part of the POWER+ Initiative and complement other targeted investments across the Federal Government.

The Discretionary Request also includes \$300 million for EDA to support locally driven economic development projects in communities across the nation. These investments will enable local communities to establish a foundation for sustainable job growth, and build durable regional economies by funding projects that advance equity, support workforce education and skills training, enable business expansion and technology updates, support growth in exports and foreign direct investment, and address the climate crisis.

Invest in Climate Science and Research

Climate change is one of the greatest challenges of our time. Yet it is also an opportunity for economic growth and innovation. In the Discretionary Request, the Administration proposes a whole of government approach to address this challenge and harness this opportunity. NOAA climate science provides the data, tools, and information that are the foundation for both efforts. The Discretionary Request therefore includes \$800 million for NOAA to expand climate observation, forecasting, and research so that NOAA can provide better data, information and tools to federal agencies, states, Tribes, communities, and businesses across America to enable smart policy and decision-making. This investment will also improve community and coastal resilience by investing in modern infrastructure and funding competitive grants to help protect communities from the costly economic and environmental impacts of severe weather events and climate change. The increased resources will also support an expanded and improved drought early warning system.

Improve Weather and Climate Forecasting

Families, businesses, and state and local governments rely on NOAA's weather satellites and forecasts every day. When severe weather strikes, these forecasts can literally mean the difference between life and death in impacted communities. The Discretionary Request invests \$2 billion, approximately \$500 million more than the 2021 enacted level, in the next generation of satellites. With these additional resources, NOAA will be able to enhance its world-leading satellite observing systems by incorporating a diverse array of new technologies to improve data for weather and climate forecasts and provide critical information to the public. This data will allow for more informed decision-making that protects life and property, safeguards the economy, and supports the fight against climate change.

Strengthen American Competitiveness and Security

American businesses and workers can compete if we all play by the same rules. The 2022 Discretionary Request ensures Commerce's International Trade Administration has staff and resources it needs to defend U.S. workers by addressing unfair foreign trade practices and barriers, strengthening enforcement of U.S. trade laws, and enhancing oversight of foreign government compliance with trade agreements. It also provides additional staff and resources for the Bureau of Industry and Security to analyze export control and Entity List proposals, enforce related actions, and implement export controls.

I look forward to working with you to create an economy that works for all by creating jobs and growth that support American communities, businesses, and workers – now and in the future. I am happy to take your questions.