

**WRITTEN TESTIMONY BY SECRETARY WILBUR ROSS  
U.S. DEPARTMENT OF COMMERCE  
FISCAL YEAR 2021 BUDGET REQUEST**

Chairman Serrano, Ranking Member Aderholt, and members of the House Appropriations Subcommittee, thank you for this opportunity to discuss President Trump's Fiscal Year 2021 (FY 2021) Budget Request for the U.S. Department of Commerce (DOC).

It is a privilege to appear before you today.

Our FY 2021 Budget reflects the President's vision for America's future and prioritizes security and prosperity for all Americans while being responsible stewards of the taxpayers' dollars.

I look forward to discussing this vision I share with the President, and how it is reflected in the Department's resourcing decisions.

The Administration is committed to working with Congress to grow the economy and protect our national security.

Our budget achieves these goals by: providing the resources and workforce needed for the successful completion of the 2020 Decennial Census; ensuring American leadership in space; bolstering trade promotion, trade enforcement, and export controls to combat unfair foreign trade practices and secure sensitive technologies; providing resources for ongoing satellite acquisition and vessel recapitalization efforts for various missions of the National Oceanic and Atmospheric Administration (NOAA); providing data and support needed by businesses to invest, grow, and prosper; and supporting research and development in cutting-edge technologies.

The FY 2021 Budget Request of \$7.9 billion is a \$7.3 billion decrease from the FY 2020 enacted amount of \$15.2 billion. This reduction is primarily driven by the completion of the 2020 Decennial Census, which accounts for a \$5.9 billion decrease in the overall topline request.

One of my top priorities as Secretary has been to ensure that we have a complete and accurate Census. The total request in FY 2021 for the Census Bureau is \$1.6 billion. I am pleased to report that with your support we are on budget, on schedule, and on track to accomplish this important mission.

But the mission of the decennial census does not end with the completion of field operations.

The FY 2021 Budget Request also supports the launch of the post-enumeration operations for the 2020 Census and the release of data critical for determining apportionment and funding allocations.

Our request for FY 2021 will continue the transformation of the Census Bureau organization and operations to a 21st century data-centric model that blends survey data with administrative and alternative digital data sources. This effort will further lay the groundwork for enterprise-wide infrastructure in areas such as data management, survey sample frames, user-centric dissemination systems, and enhanced administrative records research.

The second item I would like to raise today is an important initiative that urgently needs funding in FY 2021.

The Budget Request seeks this Committee's support for \$15 million for the Office of Space Commerce (OSC). This funding advances the Administration's priority to maintain the United States' leadership in space.

This endeavor supports the Administration's continued commitment to harness the full power of the commercial space industry, spawning economic growth to enhance our economic and national security as laid out in the President's National Space Policy Directives.

FY 2021 is a critically important building block year as we work to implement the transition of public facing space situational awareness (SSA) responsibilities from the Department of Defense to the Department of Commerce as set forth in Space Policy Directive 3 (SPD-

3). In FY 2020, we have reprioritized our activities to ensure that significant strides can be made in the SSA related activities of the U.S. Government, and the FY 2021 Budget continues and expands this critical effort.

Maintaining the U.S. leadership in SSA is essential for both national defense and for enabling space commerce. Increasing congestion in the space environment enhances the risk of a conjunction, more commonly known as a collision, that could cause debris that would threaten both government and commercial uses of space. In FY 2021, the Department of Commerce is aiming to achieve key milestones on the urgent and critical path for standing up an open architecture data repository (OADR) needed to help the industry avoid catastrophic in-space collisions as soon as possible.

OSC, the National Institute of Standards and Technology (NIST), and the National Telecommunications and Information Administration (NTIA) each contributed to the White House's development of the Executive Order that was issued on February 12 to strengthen national resilience through space positioning, navigation, and timing (PNT) services.

In support of the Administration's aim to enable U.S. businesses to compete on a level playing field, the budget requests \$474.4 million for the International Trade Administration's (ITA).

ITA's budget continues to prioritize fair trade on behalf of U.S. businesses and includes a \$5 million increase in FY 2021 for the Enforcement and Compliance section to assist with Section 232 tariff exclusion processing and to conduct reviews of existing antidumping and countervailing duty orders to ensure the robust enforcement of our trade laws.

The FY 2021 Budget sustains ITA's role in modernizing the activities of the Committee on Foreign Investment in the United States, commonly known as CFIUS, and implementing additional reviews as required by the Foreign Investment Risk Review Modernization Act.

In addition, \$137.7 million is requested for the Bureau of Industry and Security (BIS). These resources will be focused on BIS's efforts to curtail illegal exports while facilitating secure trade of sensitive technologies in coordination with U.S. allies and close partners.

Moreover, the FY 2021 Budget continues to fund BIS activities necessary for the timely review of exclusion requests from Section 232 trade actions. As of February 24, 2020, BIS has received more than 169,000 exclusion requests and has posted decisions for more than 112,000 of these requests.

These efforts help ensure that the U.S. steel and aluminum industries are given a level playing field to offset global overproduction to ensure our domestic industry can produce materials that are critical for U.S. national security.

To further the Department's objective to prioritize core government functions that promote national security and support economic opportunity, the FY 2021 budget request for the National Oceanic Atmospheric Administration (NOAA) is \$4.6 billion.

The FY 2021 Budget supports NOAA's mission-critical activities, including sustaining current weather satellites to provide vital forecast information for hurricanes and other significant weather and space weather events.

Specifically, the FY 2021 Budget requests \$108.1 million for the continued development of NOAA's Space Weather Follow On (SWFO) satellite program. The SWFO program ensures that we avoid any discontinuity in our current satellite observation capabilities, which are critical to providing accurate and early warnings of potentially destructive space weather events. FY 2021 funding will keep development of this satellite program on track to launch on the same rocket scheduled for a NASA research mission, thereby saving taxpayers millions of dollars.

The Budget also requests \$992 million to fully fund continued development of our flagship Polar Weather Satellites and Geostationary

Operational Environmental Satellite-R series (GOES-R) programs. In addition, the Budget provides nearly \$50 million to create a more efficient and effective satellite architecture and data infrastructure, including targeted investments in commercial satellite data.

Other FY 2021 NOAA budget priorities include maintaining the National Weather Service (NWS) forecasting capabilities; providing critical support to commercial and recreational marine fisheries by the National Marine Fisheries Service (NMFS); accelerating the mapping of the U.S. Exclusive Economic Zone (EEZ) and Alaska; and, as part of its ongoing fleet recapitalization efforts, begin procurement efforts and initiate a detail design and construction competition for a third NOAA vessel that will primarily perform charting and surveying functions. Additionally, funding will support the continued requirements analysis and feasibility studies for a fourth additional vessel.

The FY 2021 Budget continues to focus on helping American businesses grow and prosper.

The \$111.9 million request for the Bureau of Economic Analysis (BEA) will allow it to continue to objectively and cost-effectively produce critical economic indicators such as the Gross Domestic Product. BEA's FY 2021 Budget includes an increase for the creation of a new Chief Data Officer (CDO) to coordinate data governance and lifecycle data management across Commerce's 12 bureaus.

Minority-owned businesses face unique challenges in starting and operating businesses. To solve this critical problem, the FY 2021 Budget provides \$10.3 million for the Minority Business Development Agency (MBDA). This funding supports this Administration's commitment across the entire federal government to address the difficulties facing minority business enterprises looking to start and grow.

Research and development of new innovations and technologies that will propel American businesses and transform the global workforce is a department-wide area of emphasis.

The National Institute of Standards and Technology's (NIST) \$737.5 million budget request is uniquely tailored to address these challenges. Specifically, the FY 2021 Budget promotes U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve American citizens' quality of life.

In support of the Presidential Memorandum on Maintaining American Leadership in Artificial Intelligence (AI), the budget request for NIST doubles the investment in AI in FY 2021 to \$48.9 million.

NIST research will advance other industries of the future, including quantum information science, 5G and advanced communications, advanced manufacturing, and biotechnology.

The FY 2021 Budget proposes the creation of a second NIST-funded advanced manufacturing institute to collaborate with industry in building the supply chains required to manufacture advanced technology products in the United States rather than abroad.

Separately, the FY 2021 Budget includes a \$60.2 million request for maintenance of NIST research facilities, including major renovations to NIST Building 1 in Boulder, Colorado.

In recognition of the importance of 5G and advanced telecommunications to the economy, the FY2021 Budget Request for the National Telecommunications and Information Administration (NTIA) is \$72.2 million, a 79 percent increase from FY2020 enacted.

Within this request for NTIA, there is \$25 million for modernizing its 30-year-old spectrum management systems to improve federal spectrum management, enhance our ability to enable more efficient utilization and spectrum sharing, protect from hacking, ensure data integrity and confidentiality, and defend our national security. This modernization will help accelerate the transition to 5G and support the private sector's need for additional spectrum bandwidth.

Funding in FY 2021 will also support NTIA's role in implementing the President's Executive Order on "Securing the Information and Communications Technology and Services Supply Chain," as well as its leadership in representing the United States' interests at multi-stakeholder forums on internet governance and digital commerce.

The United States Patent and Trademark Office (USPTO) seeks authority to spend its own fee collections of approximately \$3.7 billion.

With this request, the USPTO will fully support its strategic and management priorities of issuing reliable and predictable intellectual property (IP) rights; optimizing patent and trademark application pendency; enhancing patent administrative appeal and post-grant processes; fine-tuning trademark operations, including trademark administrative appeal and trial processes; conducting outreach, education and engagement both domestically and internationally; promoting and protecting patent and trademark IP rights; and investing in our information technology (IT) stabilization and modernization.

In sum, this FY 2021 Budget Request is predicated upon providing the American taxpayers with a high return on investment while making difficult tradeoffs with finite resources.

On behalf of the Department, I would be happy to answer any questions that you may have.