SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Full Committee Nomination Hearing January 29, 2025

REPUBLICAN QUESTIONS FOR THE RECORD

Mr. Howard Lutnick

COVER PAGE

SENATOR ROGER WICKER (R-MS)

Rice's Whale and Environmental Policies

A group of environmental NGOs submitted a petition to the National Marine Fisheries Service (NMFS) for a rulemaking to establish a year-round vessel speed limit and other vessel-related mitigation measures in the Rice's whale "core" habitat area. While NOAA denied the petition to establish vessel speed measures, they proposed a rule designating a critical habitat for the Rice's whale with little to no information on the species' life history or behavior. NOAA has actively pursued measures for Rice's whale at the expense of communities along the Gulf of Mexico based on very little conclusive evidence as to the presence of the Rice's whale in the central and western Gulf of Mexico. Imposing restrictions on development in the Gulf of Mexico would directly harm the economic activity and jobs across coastal communities.

1. It is unacceptable to impose regulations that have no scientific backing with significant impacts to coastal communities. Under your leadership as Secretary will you commit to ensuring that NMFS and NOAA use only science-backed research with strong supporting data before proposing any rulemaking?

Answer:

Yes. Imposing restrictions on development opportunities in the Gulf of America would have negative implications for economic activity and job growth. Substantial and conclusive evidence is necessary to ensure species' life history, behavior and other important factors are thoroughly considered so as not to needlessly harm coastal communities and our economy. I look forward to working with your office on the Rice's Whale issue.

Recreational Fishing & Fisheries Data

The Gulf States took over management of recreational Gulf Red Snapper fishing in 2017 during President Trump's first term. We have been impressed with the results posted by each of the Gulf States since then.

2. Will you continue to support policies from President Trump's first administration that empower the States' role in marine fisheries management?

Answer:

Yes. On November 5th, the American people made their voices heard and have worked to manage these fisheries more effectively. I look forward to working with your office on state management activities and how these could continue with the Gulf States.

3. Access to public waters is fundamental to any successful recreational fishery. The Biden Administration sought to keep America's anglers and boaters off the water. Will you focus on policies that provide access and opportunity to America's oceans?

Answer:

Yes. America's anglers and boaters are an important part of our economy. I will work to help reduce unnecessary burden for recreational activities and fishing, including policies that provide access and opportunity to enjoy America's ocean resources.

4. States are producing excellent fisheries data, yet NOAA Fisheries continues to use their own opaque data system. Will you foster policies that broaden the definition of "Best Scientific Information Available (BSIA)" to include data gathered by the States?

Answer:

I look forward to learning more about this issue and working closely with your office on potential policy initiatives.

Seafood Production

Seafood production is a major economic driver in Mississippi, generating hundreds of millions of dollars and thousands of jobs annually. But the United States imports about 80 percent of the seafood we eat, and we have a seafood trade deficit of over \$20 billion. The U.S. can and should urgently address this seafood deficit — and that starts with producing more fresh, healthy, and sustainable seafood at home through marine aquaculture. NOAA, the largest agency in your department, oversees and manages our marine fisheries and aquaculture. NOAA must lead the way in addressing the seafood trade deficit by expanding our marine aquaculture.

5. Do you commit to addressing the seafood deficit through the continued growth of marine aquaculture?

Answer:

Addressing the U.S. seafood deficit is important for the ocean economy and global competitiveness. The Department will work on ways to address this deficit by creating opportunities to increase our seafood exports, including marine aquaculture production. I look forward to learning more about this issue and working closely with your office on possible solutions.

Tech Hubs

The Department of Commerce has the opportunity to grow innovative markets through the Economic Development Administration's (EDA) Regional Technology and Innovation Hubs (Tech Hubs) program. This program focuses on driving regional growth and global competitiveness through development of critical and emerging technologies by creating consortia of public, private, and academic partners. My colleagues and I worked hard to ensure this program was created and remains adequately funded. Under President Biden, the U.S Commerce Department shifted away from the Congressional intent of locating new Tech Hubs in

traditionally underrepresented federal research regions and instead prioritized awards to existing, already developed programs in metropolitan statistical areas with ties to organized labor.

6. Will the Department designate more Tech Hubs in 2025, rather than simply giving more funds to the Tech Hubs designated by the previous Administration?

Answer:

I will work with you and other members of Congress to ensure that Economic Development Administration Tech Hubs are thoughtfully distributed throughout the country.

7. What research and commercialization areas will the Department of Commerce and the Economic Development Administration prioritize under your leadership?

Answer:

I will ensure the Department and the Economic Development Administration prioritize research and commercialization areas well suited to boost American economic and job growth.

Oil and Gas Exploration

The Department of Commerce has a potentially significant impact on offshore oil and gas exploration, development, and production activities. Mississippi is home to the country's 11th largest refinery which produces about 356,000 barrels of oil a day into downstream products. One of Mississippi's other facilities is a leading global manufacturer of naphthenic process oils (used in industrial applications such as printing inks, transformer oils, and refrigerator oils).

8. Mississippi's salt caverns storage capability makes it a major player in the natural gas space- 9 of its 10 largest power plants rely primarily on natural gas. It is also home to one of the country's largest natural gas processing plants, in addition to an import terminal. Recently, this facility received approval to export LNG. How will you ensure that retaliatory tariffs on Natural Gas do not impact this facility's ability to operate?

Answer:

For too long, many countries have limited American exporters' ability to access their markets, even as the United States granted their companies unfettered access to the largest market in the world. I expect that President Trump's trade policies, and his commitments to deregulation and American energy independence will help Mississippi's power plants, processing plants, and natural gas exporters expand their sales and production.

Data Privacy & Artificial Intelligence

Data privacy guidelines have implications for the artificial intelligence space and other areas of modern innovation. Free market innovation drives the American economy forward, but there can be no innovation without entrepreneurs' willingness to take financial risks on their big ideas.

The current patchwork of state data privacy standards creates financial and legal burdens for investments in AI and other startups.

9. Will you commit to working with Congress on a unified data privacy standard that protects consumers while eliminating the costly patchwork of overlapping and conflicting state laws?

Answer:

I will ensure the Department works with Congress on data privacy standards and provides its expertise and knowledge as needed.

10. Will you commit to aligning NIST's ongoing work with the Trump administration's vision to ensure the United States remains dominant in the face of AI competition in other areas of the world?

Answer:

Yes.

Trade

Mississippi has several industries and companies that have been affected by the lack of enforcement of trade laws in countries like Vietnam, Ecuador, and Venezuela. I am strongly supportive of the Presidents efforts to address the U.S. trade deficit and unfair trading practices by our trading partners. We must protect our domestic producers from who are already operating under increasingly tight margins.

11. Will you commit to enforcing strong trade laws including anti-dumping and countervailing duties to protect America industries? Will you also commit to examining rule of origin provisions to ensure American companies are not over-taxed on their domestic operations?

Answer:

I commit to enforcing strong trade laws and ensuring American industries and American workers are fully protected from foreign actors and unfair trading practices.

European Union Corporate Sustainability Due Diligence Directive

The European Union's Corporate Sustainability Due Diligence Directive (CS3D) that was recently adopted by the EU, will impose significant costs on thousands of U.S. companies doing business in Europe. This comes at a time when U.S. exports of natural gas are keeping the heat on in Europe this winter because the regulatory structure there has caused companies to flee. Yet

the EU is attempting to harm the competitive advantages of U.S. companies by forcing them to comply with CS3D.

12. What will you do as Commerce Secretary to ensure that the U.S. government delivers the most robust of responses against CS3D implementation – or implementation of any similar extraterritorial legislation enacted by a foreign government with implications for U.S. businesses?

Answer:

The CS3D imposes a significant burden on American corporations. I will consider using all available trade tools at the Department's disposal, as appropriate, to respond to any actions by foreign governments, including the EU, that harm the American economy and impose unreasonable burdens on our companies.

SENATOR JERRY MORAN (R-KS)

1. Department of Commerce/Office of the U.S. Trade Representative

Can you share more about how your "direct responsibilities" over the Office of the U.S. Trade Representative will work?

Answer:

The statutory responsibilities of USTR remain unchanged. The Department and USTR will collaborate to ensure a strong America First trade policy is implemented under President Trump's leadership.

2. International Trade Administration

What will the Department of Commerce and the International Trade Administration do to prioritize expanding international trade opportunities for rural businesses and US farmers? How will you work with ITA to put US businesses in an advantageous position to compete with Chinese exporters?

Answer:

Promoting exports for American companies is a key part of the America First trade agenda. Rural businesses and farmers form the backbone of the economy in America's heartland, and I am committed to expanding access to additional markets for rural businesses and agricultural producers. In doing so, I will also work with our trading partners around the world to address subsidized, dumped, and unfairly traded Chinese exports that limit the opportunities for American companies and farmers to sell their products into foreign markets.

3. Antidumping and Countervailing Duties (AD/CVD)

The Department of Commerce is charged with ensuring fair trade through the rigorous enforcement of our trade laws. Illegal trade practices such as dumping or subsidies by foreign governments undermine our industries and harm America's workers. We have observed that the demand for antidumping and countervailing duty investigations into unfairly traded imports drastically increased in the last year and that the Commerce's work in this space has nearly tripled over the last decade.

• What are your plans to ensure that Commerce has the resources and tools it needs to rigorously enforce the trade laws and ensure domestic industries can compete on a level playing field?

Answer:

Antidumping and countervailing duty investigations are critical to protecting American industry and its workers. I plan to closely study the resources and tools at the Department's disposal and work with Congress to ensure the Department has the full capabilities to enforce trade laws and effectively protect domestic industry.

• Have decisions by the Courts hampered Commerce's ability to enforce antidumping and countervailing duty laws?

Answer:

I am committed to ensuring the Department complies with all court decisions, including those by the Court of International Trade and the Court of Appeals for the Federal Circuit. I am aware of several decisions remanding determinations by the Department, including with respect to the application of adverse facts available and particular market situations.

• If yes, how do you plan to work with Congress to address weakened enforcement due to adverse court rulings?

Answer:

Please see prior answer.

• What legislative changes would you propose to update the antidumping and countervailing laws to improve enforcement efforts?

Answer:

I look forward to working with your office on potential legislative changes that would strengthen and clarify the Department's authority to impose antidumping and countervailing duties.

4. Section 232 Tariffs

Do you anticipate additional Section 232 tariffs on steel to be implemented against Mexico or new ones against Canada?

Answer:

I understand the Department is currently studying the current steel tariffs in response to the America First Trade Memorandum. I cannot prejudge the results of that study or predict how President Trump may react to its findings.

5. Further Export Control Question

The December 2024 Commerce Department National Security Strategy – the first of its kind – outlines the state of "intense global competition with China" in emerging

technologies like semiconductors and describes China as supplanting the U.S.'s position in the value chain for its manufacturing. Your presumptive future colleague, USTR nominee Jamieson Greer, called for expanding export controls on China to prevent this, including on semiconductors and advanced technologies like quantum computing and AI.

• What loopholes do you see in our country's current export controls and how will you ensure robust protection of strategic goods' IP and products belonging to U.S. companies?

Answer:

I am committed to making any necessary changes to prevent malign actors from exploiting America's innovation ecosystem. I understand the America First Trade Policy Presidential Memorandum directs the Department to assess these matters and prepare a report to the President. As I have not been confirmed, I can neither speak to those efforts nor get ahead of that process. I can say, however, that these issues are a top priority.

6. Export Control Policies

A major focus of Commerce Department thus far has been disrupting China's development of artificial intelligence tools. However, we have seen recent evidence that the steps taken thus far are inadequate. A Chinese company called DeepSeek has released an AI model that seems to rival US models and was, according to the company, trained using less-advanced chips.

This challenges the convention that export controls on advanced semiconductors will slow Chinese development of cutting-edge AI models.

• Will you work with me to determine a path forward on export controls that adequately addresses China's military modernization and ability to develop dual use technologies?

Answer:

Absolutely. This is a priority I share with you and the Committee.

In addition to confronting China, export controls are critical to stemming the flow of sensitive technologies to Iran, which has used front companies to avoid detection.

• If confirmed, what steps will you undertake to stop the flow of U.S. goods and technology to Iran?

Answer:

I intend for strong enforcement of export controls to be a hallmark of my tenure. The Department's enforcement teams must have the resources necessary to meet that standard.

7. Global Tariff

In the America First Trade Policy memorandum published by President Trump, Commerce has been tasked, in consultation with Treasury and USTR, with investigating use cases of a "global supplemental tariff."

• Before implementing any new tariffs, will you commit to carefully analyzing the potential impacts of tariff increases including consultation with industry?

Answer:

Yes. As directed by the President, the Department will play a coordinating role with its interagency partners and carefully study this issue before reaching any decisions.

8. Competing Budget Priorities

How do you anticipate balancing the ramp up of the Census and recapitalization of NOAA weather satellites and aircraft during what may be a flat budget environment?

Answer:

The Department of Commerce will carry out its mandate to faithfully execute the President's budget subject to Congressional approval.

9. CHIPS

Several Senators in the hearing – including members of the Committee on Commerce, Science, and Transportation – have recently met with you to raise concerns on across-the-board tariffs as well as discuss carrying out the goals outlined in the CHIPS and Science Act.

• As Commerce Secretary, what is your approach to the bipartisan CHIPS and Science Act?

Answer:

The Department plays a key role in advancing the Nation's technological competitiveness in everything from semiconductors to AI, to increasing the availability of spectrum. I plan to ensure that the Department continues to make sure that America leads in these key areas and to oversee the responsibilities of the Department to ensure that America is in a stronger and more competitive position through our efforts.

• As you think about the CHIPS Program and future initiatives to bolster U.S. semiconductor manufacturing, do you agree that it is important for the U.S. to encourage the manufacturing of all major types of semiconductors in the U.S., including both logic and memory semiconductors?

Answer:

Semiconductors for logic, memory, and other applications (RF, photonics, etc.) are critical to our daily lives and national security. Ensuring that the U.S. has robust domestic manufacturing capacity and supply chains to support these efforts is critical.

• Will you ensure the CHIPS program directly supports small and medium size semiconductor companies, including those companies in rural parts of the country?

Answer:

Yes. The CHIPS program funds large, medium, and small-sized semiconductor manufacturing and semi-conductor supply chain related companies across the country. I will ensure that future investments support companies that advance the economic and national security of the United States.

• Additionally, will you ensure that all parts of the semiconductor supply chain are supported by the CHIPS program, including companies engaged in packaging and testing semiconductors?

Answer:

Yes.

10. Promoting Tourism to the U.S.

The U.S. Department of Commerce plays an important role in supporting tourism through its National Travel and Tourism Office (NTTO), which is part of the International Trade Administration. By promoting tourism, the Department helps drive economic growth. The travel and tourism industry in the U.S. generates significant revenue, supports millions of jobs, and contributes to local economies.

As Secretary of Commerce, what are your priorities for supporting travel to and within the United States, especially considering major upcoming tourism events like the FIFA World Cup in 2026, in which Kansas City will be a Host City?

Answer:

As Secretary of Commerce, I will promote America's cities and events to the fullest extent. Major events, including the FIFA World Cup in 2026, provide incredible opportunities to highlight American spirit and enterprise in places such as Kansas City.

11. The 2027 National Travel and Tourism Strategy

The National Travel and Tourism Strategy is a comprehensive, government-led initiative developed to promote travel and tourism to the United States, while also ensuring that the sector supports economic growth, job creation, and community development. The strategy aims to strengthen the U.S. tourism industry by addressing challenges and opportunities, fostering partnerships, and creating a coordinated, whole-of-government approach to tourism promotion and policy.

The National Travel and Tourism Strategy is issued every five years, with the next update expected in 2027. In alignment with the Trump Administration's agenda to promote innovation, will you commit to addressing in the next National Travel and Tourism Strategy how emerging technologies, such as artificial intelligence, can promote travel and tourism to and within the United States and maximize its economic benefits to all Americans?

Answer:

Yes. I commit to working with the Administration and Congress to address how emerging technologies can promote travel and tourism within the United States and benefit all Americans.

12. Refineries

Kansas has three refineries, which combined can process about 408,000 barrels of crude oil per calendar day. The state's refineries account for about 2% of the nation's refining capacity, and produce a variety of petroleum products, including diesel fuel, motor gasoline, and jet fuel. Are you concerned about the ability of these refineries to produce downstream products in the face of tariffs on crude imports?

Answer:

As President Trump has directed, I am committed to unleashing American energy and expanding the capability for energy producers at all steps of the supply chain and refining process to flourish.

13. Boycotts of Israel

The Commerce Department is responsible for enforcing U.S. anti-boycott laws, which discourage and, in some circumstances, prohibit U.S. companies from furthering or supporting the boycott of Israel fostered or imposed by foreign countries. Unfortunately, we've seen a surge in foreign boycott activity targeting our ally Israel in the wake of October 7th.

• If confirmed, ensure full enforcement of U.S. anti-boycott laws and regulations?

Answer:

Yes, absolutely.

• In dealings with countries that support boycotts of Israel, will you make it a priority to encourage them to end such support?

Answer:

Yes.

Current anti-boycott laws only apply to unsanctioned foreign boycotts imposed or
fostered by foreign countries. Would you commit to working with Congress to clarify
our anti-boycott laws to make clear that cooperation with boycotts fostered by
international governmental organizations, like the U.N. Human Rights Council, is not
permitted?

Answer:

I will ensure the Department is available to offer technical assistance with drafting updated legislation.

• I am concerned that ESG rating firms are encouraging boycotts of Israel by downgrading companies doing business in Israel. Would you be open to having the Office of Anti-Boycott Compliance look at the issue of ESG rating firms and determine how federal anti-boycott statutes may apply to the work of these firms?

Answer:

Yes. I am open to having the Department's Office of Anti-Boycott Compliance review this issue.

• The United States and Israel have long had an important economic relationship. If confirmed, how will you work to deepen and expand that relationship?

Answer:

The Department has numerous tools at its disposal to further deepen the country's economic ties to Israel through promotion of bilateral trade and investment. The Department can also look into ways for the country's intellectual property and scientific communities to collaborate further through USPTO and NIST.

14. Abraham Accords

President Trump achieved a historic accomplishment with the 2020 Abraham Accords. The agreements saw normalization between Israel and some of our regional partners in the Middle East. The Abraham Accords have vast economic potential that could positively impact the region and the United States. However, over the past couple of years, efforts to expand the Abraham Accords have stalled.

• As Secretary of Commerce, how would you work to expand and deepen the economic and trade aspects of the Abraham Accords?

Answer:

While the Abraham Accords have many moving parts, what will strengthen them in the long term is economic normalization, bilateral trade, and investment. The Department, through its Foreign Commercial Service, is well-positioned to promote and facilitate the strong economic ties that will lead to peace and prosperity throughout the region.

15. Aerospace Supply Chain

The American aerospace sector is a major economic driver in Kansas and the United States, with the largest trade balance – valued at over \$110 billion – among all U.S. manufacturing sectors. The industry workforce stands strong with more than 2.21 million, with employees in every state.

The aerospace industry also outpaced national averages in job creation and compensation – about 50 percent above the national average in wages and benefits – while playing a pivotal role in delivering innovative technology underlying America's national security and commercial leadership.

• What are your plans to bolster the aerospace supply chain and ensure continued growth of the U.S. aerospace industry and its highly skilled workforce? How will the Commerce Department work with other agencies to achieve these goals?

Answer:

The aerospace industry relies heavily on exporting, and I am committed to supporting American companies' ability to access foreign markets. This includes the Department's participation in the international aerospace and defense trade shows that provide opportunities for our aerospace companies to expand their international sales. Additionally, I am committed to strengthening our supply chains for all industries and am aware of the need, in particular, to strengthen our resiliency for supplying critical minerals, which are essential to the aerospace industry.

16. Fertilizers

The current duties on phosphate mean that our farmers have to purchase inputs at prices higher than other farmers around the world but can only receive world market prices for their production.

Are you concerned about ensuring adequate supply of these fertilizers, and ensuring competitive, reliable markets for this critical ag input for farmers?

Answer:

I am aware of the situation concerning phosphate prices. I am concerned about all aspects of the American economy, including the impact of high prices on farmers, and am committed to opening markets to American exporters on a fair, competitive, and reliable basis.

Will you commit to consulting with the Secretary of Agriculture as the Department of Commerce considers the long-term impacts on fertilizer supplies and their impact on US agricultural competitiveness?

Answer:

Yes.

17. Natural Resource Management

Have you been briefed on NOAA's protected resource responsibilities, which have tremendous impact on ocean industries including fishing (e.g. Maine's lobster industry), and offshore energy production?

Answer:

Upon confirmation, I will have briefings to learn more about NOAA's protected resource responsibilities and the impact they have on ocean industries and offshore energy production.

 Given the terrible drought facing many Kansan farmers, what investments should NOAA make to better forecast seasonal weather to improve water management for our agricultural sector?

Answer:

NOAA will prioritize American farmers with its investments in better seasonal weather forecasts for agricultural water management.

18. Forecasting

NOAA plays an important role in providing life-saving forecasts during extreme weather in my state, as well as seasonal forecasts that farmers and ranchers in Kansas use to manage their water resources.

• Given the advancements in AI and computational sciences – are you aware of opportunities for NOAA to leverage private sector resources to get more value out of our weather data to: a) protect Americans from severe storms and, b) help farmers and ranchers better manage their water resources?

Answer:

Yes. I look forward to learning more about this topic and working closely with your office.

19. Space Commerce

The Department's Office of Space Commerce has the important role of "foster[ing] the conditions for the economic growth and technological advancement of the U.S. commercial space industry."

• Under your supervision, how will you organize the Department to enable the robust growth of our innovative commercial space ecosystem?

Answer:

The Department will enable robust growth of our commercial space ecosystem by ensuring that our leading domestic space industry is not hampered by overly burdensome regulations and has the full support of the Administration to ensure American leadership in space continues.

20. Unified Federal Data Privacy Standard

Given the interconnected nature of commerce today, many small businesses face compliance hurdles under our patchwork of more than 20 separate U.S. privacy laws. Different state laws also create confusion for consumers.

• As Commerce Secretary, will you work with Congress on a unified data privacy standard to protect consumers that provides strong protections to Americans and certainty to small businesses?

Answer:

Yes. I am committed to working with Congress on data privacy standards and making available the Department's knowledge and expertise as needed.

SENATOR TIM SHEEHY (R-MT)

1. Montana's Headwaters is one of 31 nationwide leading on next-generation technology. It
connects entrepreneurs across the state and supports good jobs, but it also competes in a national
and global technological race with foreign adversaries. Will you commit to continuing support
for Tech Hubs?

Answer:

Yes.

2. Semiconductor export controls have sometimes harmed American companies, including in Montana, and helped foreign entities, jeopardizing our technological leadership. Will you review semiconductor export control rules to ensure that American companies are the ones benefiting?

Answer:

Yes. I will keep in mind all industries and their important trading relationships as I work with President Trump to strengthen our economy and unleash American energy.

3. A NOAA report on rebuilding Columbia Basin salmon created a new "harvest" recovery standard. This standard is an unworkable excuse for dam removal and impacts Montana farmers and co-ops. Will you commit to working with stakeholders to ensure appropriate scientific standards?

Answer:

NOAA's work should follow a rigorous application of the scientific method.

4. Refineries in Montana need Canadian crude for diesel that is critical to our farmers, ranchers, and truckers. As you continue to engage other countries on trade issues, will you keep in mind the importance of Canadian crude to states like Montana?

Answer:

Yes.

5. President Trump is setting a new path for American energy abundance. Will you work to ensure the fair treatment of American electricity generators by Canadian energy authorities so that U.S. energy can access valuable markets?

Answer:

Absolutely.

6. The global technology race is more expansive than semiconductor chips. U.S. companies, including those in Montana, need support for multiple forms of advanced technology. Will you work to make support initiatives available for more technologies that may not fall under existing federal opportunities?

Answer:

As directed by the Export Control Reform Act, the Department will constantly examine critical and emerging technologies that may require unilateral or multilateral controls. I look forward to working with your office to identify any areas of particular concern to you and your constituents.

7. Sawmills in Montana are subject to unfair competition from Canada. Will you prioritize effective enforcement of antidumping and countervailing duty laws, and will you hold unfair actors and practices accountable?

Answer:

Yes.

8. Some states have excess BEAD funding, some of which is "non-deployment" funding for social and DEI policies. Other states like Montana have infrastructure needs but no excess funding. Will you reconsider the use of "non-deployment" funds and review BEAD's funding allocation framework?

Answer:

Yes. I plan to closely review BEAD funding and ensure thoughtful consideration is provided to all states.

9. The GSP trade program helps allies and improves supply chain resilience for critical Montana industries. Will you support GSP reauthorization?

Answer:

While Congress is the ultimate decision maker on GSP authorization, I look forward to consulting with you as Congress considers the future of the program.

SENATOR DAN SULLIVAN (R-AK)

Alaska Salmon Research Task Force Act:

Salmon is a way of life in Alaska and a primary food source for many in the state. Fisheries closures and depressed stocks shake the foundation of our daily lives.

Luckily, you've got a basis to work on. My Alaska Salmon Research Task Force Act was signed into law in 2022 and had NOAA collaborate with salmon experts in Alaska to chart a path forward to research why we are seeing such decreased abundance of salmon.

The report was released last summer with suggestions of discrete, meaningful research projects that we can undertake to get to the bottom of this issue.

1. Mr. Lutnick, can you commit to working with me to prioritize and build upon the work we have started to better understand why our salmon runs are decreasing in Alaska?

Answer:

Yes. This is an important issue that I plan to learn more about, and I look forward to working with you on this matter.

Consultation:

Mr. Lutnick, the previous administration had a history of taking unilateral executive actions that affected our state—to my count 70—executive orders and actions that affected Alaska. On the vast majority of those, our Congressional delegation nor our state were consulted.

2. Can you commit to consulting with our office before your agency takes any action that would directly affect my state and my constituents?

Answer:

Yes. I commit to working with your office on any Alaska-related issues.

Marine Monuments/Sanctuaries:

President Biden's Executive Order 14008, <u>Tackling the Climate Crisis at Home and Abroad</u>, including his '30 x 30' goal of conserving at least 30 percent of U.S. lands and waters by 2030, and other subsequent Executive Orders to impose fishing restrictions in Marine National Monuments represented a substantial overreach of authority by using it to circumvent the Department of Commerce's statutory authorities to manage U.S. fisheries.

Those actions as well as actions he took with respect to National Marine Sanctuaries including in his <u>Presidential Memorandum</u> on Conserving the Natural and Cultural Heritage of the Pacific Remote Islands, would needlessly contribute to the destruction of U.S. fisheries that are among the most well managed in the world. Following that Presidential Memorandum, NOAA's National Marine Sanctuary Office's proposed Pacific Remote Islands National Marine Sanctuary further

threatens to destroy the tuna fishery-dependent economy of the U.S. Territory of American Samoa which is vital to U.S. national security interests in the Indo-Pacific region. I should add that President Biden also restored Obama-era fishery closures in the Northeast Canyons and Seamounts Marine National Monument off New England–fishery closures that President Trump reversed in his first term.

- 3. Mr. Lutnick, NOAA's management of U.S. fisheries pursuant to the Magnuson-Stevens Act may not be perfect—and we are always making improvements to it—but U.S. fishery management under this statute is by orders of magnitude the most intensive and effective in the world. No one—not President Biden nor NOAA's Marine Sanctuary Office—should be able to circumvent this well tested process.
- 4. Consistent with actions already taken last week by President Trump to rescind EO 14008 and other Biden executive orders and administrative actions, can we rely on you, Mr. Lutnick, and your NOAA Administrator, to work further with the White House to withdraw and/or reverse any other administrative actions including unilateral closures to U.S. fisheries in Marine National Monuments or National Marine Sanctuaries that are harmful to our well managed U.S. fisheries?

Answer:

Yes. I will work with the White House on the administrative actions needed to reduce burdens on fishermen and well-managed fisheries.

Permitting:

As you know, federal permitting and other approvals or requirements placed on infrastructure and energy projects has become increasingly lengthy and expensive. We have also seen mid-level federal employees able to use these various approvals to increase the cost or totally kill important projects that support our economy and wellbeing of the American people based on ideology rather than the law and facts on the ground. Unfortunately, the National Marine Fisheries Service within the Department of Commerce is one of the agencies that I've seen abuse its authorities to stall projects or place such costly conditions on them that it doesn't make sense to build. As we all work to efficiently and affordably develop infrastructure and energy resources, it is essential that these regulatory agencies have significant political oversight to ensure there is accountability to the American people.

5. Will you commit to working with me to make sure the Department takes steps to insert more common sense and objectivity when implementing environmental regulations under its jurisdiction?

Answer:

Yes. The country needs NOAA's regulations to follow good science and be supported by scientifically accurate findings.

Technology:

Data and technology are critical drivers of our nation's economy, and I commend this administration for its focus on unleashing technology and innovation. As Alaskans know firsthand, nowhere is this more important than in our coasts and oceans. Alaska, with its vast coastline and vital maritime industries, faces significant challenges due to under-mapped coastlines and seafloors, which increase risks for shipping and fishing while limiting opportunities to fully utilize this immense resource. Addressing these gaps with better, faster, and more cost-effective technologies is essential for unlocking economic potential, securing maritime borders, and protecting lives and livelihoods.

6. As Secretary of Commerce, will you commit to empowering NOAA to continue its important work in ocean data collection and accelerate the deployment of innovative marine technologies to enhance economic growth, maritime safety, and national security?

Answer:

Yes. The work NOAA does is very important and should continue.

Russian Seafood Reciprocity:

Russia has banned U.S. seafood from its markets since 2014. However, for many years, Russia was not subject to any special import duties in the U.S. Meanwhile, Russia has drastically increased seafood production since 2022 and is openly working to flood both U.S. and global markets with cheap seafood to push out U.S. product.

All the while, our hardworking fishermen could not export a single fish to Russia. For nearly 10 years we allowed them to do this and for years, I advocated to address this asymmetrical and very unfair trade relationship. I was finally successful in getting the previous Administration to issue a couple of executive orders to put a stop to this and restore reciprocity. If we can't enter the Russian market, they shouldn't be able to flood ours.

EO 14068 in 2022 banned imports of Russian seafood. However, Russia found a loophole by laundering their seafood through China to circumvent the ban. EO 14114 in 2023 closed this loophole and made it abundantly clear than any seafood harvested in Russia is banned from import into the U.S.—even if it goes through processing in another country.

Russia is our biggest competitor in a lot of the seafood market, and just like China, they don't play fair.

7. Mr. Lutnick, will you commit to keeping these reciprocal executive orders—EO 14068 and EO 14114—in place? They are critical to keeping our seafood trade fair.

Answer:

I am fully committed to protecting Alaskan fishermen from unfair trade practices and will work with your office on best approaches to achieve our shared goals.

Alaska Seafood Industry Roundtable:

Mr. Lutnick, I cannot overemphasize how dire the situation for our seafood industry currently is. We are in serious decline and have lost over \$4 billion in revenue in just the last few years. Much of this comes down to poor trade deals and our competitors not playing fair.

There is extensive reporting on why we are struggling to compete. Russia, at a government level, has made it a goal to push American producers out of the market. They are heavily subsidizing their fishing industry and their sustainability record pales in comparison to the United States' gold standard. China is even worse. Illegal, unreported, and unregulated (IUU) fishing runs rampant in the Chinese sector, and even worse, there are innumerable documented reports of forced labor within their industry—particularly in processing.

Our hardworking Americans simply cannot compete in the market against countries who are disregarding our environmental standards and using forced labor. During the last administration, I organized a roundtable with our seafood industry leaders and Secretary Raimondo. During that meeting, Secretary Raimondo committed to working with us to implement a strategy to:

- 1. Align G7 nations on economic sanctions against Russian-harvested seafood;
- 2. Establish fair terms of trade in global seafood markets;
- 3. Accelerate fisheries science and management;
- 4. Incentivize investment in modernizing the U.S. seafood supply chain; and
- 5. Fully integrate seafood into domestic food security initiatives.
 - 8. Will you allow me to organize another roundtable for you so that you can hear firsthand how we can return to being a seafood powerhouse?

Answer:

Yes. I look forward to working with you on this issue.

National Energy Council:

I recognize that the upstream side of LNG and other Alaskan energy is not directly within your responsibility at the Department of Commerce, but I want to bring attention to how important your role in this space is.

As I mentioned earlier, the President's executive orders made it very clear that we have an energy emergency in this country and that it is the policy of the United States to avail itself of Alaska's resources to help overcome this.

A huge part of pulling us out of this energy emergency is going to be creating strong and fair trade agreements. We saw the disastrous efforts of the previous administration to block LNG exports, and we cannot have a repeat of that.

9. The President's newly created National Energy Council is going to be critical in forming good policy that will unleash our resources. I think it would be important for you to have a seat on that Council. Mr. Lutnick, would you be interested in getting onto the President's National Energy Council?

Answer:

I am interested in serving the President in any capacity he sees fit.

Marine Stewardship Council:

Mr. Lutnick, you may be aware of the London-based Marine Stewardship Council (MSC). It provides the blue check you might see on seafood in the grocery store. That blue check is supposed to signify that the seafood comes from fisheries that adhere to the highest standards of sustainability and responsible management.

However, the MSC has come under intense scrutiny in recent years for certifying undeserving seafood products. Most troubling is the MSC's continuing certification of Russian fisheries. Use of the blue check on seafood from MSC-certified Russian fisheries generates many millions of dollars in revenue every year for the MSC. The MSC has chosen to maintain those certificates despite fatal problems with the third-party auditing process in Russia and serious and growing problems with Russian fisheries management.

10. Mr. Lutnick, if confirmed, will you ensure that the federal government provides no direct or indirect support for the MSC's certification of Russian seafood?

Answer:

I commit to working with your office to ensure that American seafood adheres to the highest standards of sustainability and responsible management.

China Phase One Agreement:

We all know that China lies and does not follow through on its promises—what I refer to as promise fatigue. During President Trump's first term, I worked closely with him and his team on the first phase of the *Economic and Trade Agreement Between the United States of American and the People's Republic of China*. Under that agreement, China was supposed to double its purchases of American seafood over 4 years, moving from about an \$800 million baseline in 2017 and amounting to about \$400 million annually.

For the first two years after the agreement, China's purchases actually decreased. Four years later, their purchases are still about 7.8% below pre-COVID levels. This latest lie from the Chinese government is dramatically hurting our hardworking American fishermen.

11. Mr. Lutnick, if you end up reengaging on China on this issue, will you commit to bringing this up and pushing to hold the Chinese to their end of the agreement?

Answer:

Upon confirmation, I will ensure the Department takes a holistic approach in addressing the U.S.-China trading relationship, including consideration of past practices and behaviors by the Chinese government. I will work diligently to ensure our trading partners fully comply with all terms of our agreements.

NMFS in the Department of Commerce:

There is concern among fishermen in the North Pacific about an idea involving moving NMFS to the Department of the Interior. The first time I heard this suggestion was 15 years ago from President Obama.

Due to opposition from me and others, that proposal went away. For better or worse, NMFS has been managing our fisheries for over 50 years at this point, and the Magnuson-Stevens Act directs the Department of Commerce to do so.

While I fully support efforts to streamline our agencies to more efficiently serve the American people, I want to make sure the people who have federal fisheries expertise—and can help us in the trade world—remain the ones working on the issue.

12. Is it your intention to keep NOAA and the National Marine Fisheries Service under the Department of Commerce?

А	ns	'w	ei	r:

Yes.

FirstNet:

First Responder Network Authority, commonly referred to as FirstNet, was created in response to the communication failures experienced by first responders during and after the 9/11 attacks. Through a unique public-private partnership recommended by the 9/11 Commission and established during the first Trump administration, the U.S. has built a nationwide, interoperable high-speed wireless network dedicated to first responders—without relying on taxpayer dollars or congressional appropriations.

While FirstNet has a service provider under contract through 2042, the authority for FirstNet expires in 2027. The potential sunset of the authority puts this public safety network service at risk, and threatens access to billions in network investments associated with this public-private partnership.

13. Given FirstNet's proven effectiveness in aiding first responders during hurricanes, critical incidents like the Butler, Pennsylvania assassination attempt on President Trump, and other significant events, will you commit to working with Congress to reauthorize the FirstNet Authority before it expires?

Answer:

Yes. I commit to working with Congress on issues regarding FirstNet.

Broadband Equity Access and Deployment (BEAD) Program/LEOs:

In October, NTIA announced that Alaska will be obligated over \$1 billion. I am sure you have seen the criticisms that have been made that the Biden Administration layered on requirements that are beyond the law in the BEAD NOFO. I understand that the new Administration will be reconfiguring the requirements for the BEAD program. I ask that as Commerce reworks the requirements, that we don't lose pace with implementation. We have great needs in Alaska with unserved areas.

I want to flag that there is not as much Low Earth Orbit satellite coverage in Alaska as the rest of the continental U.S. Our constituents appreciate Starlink in many circumstances, including when there are service disruptions associated with fiber, but the connection is not consistent and reliable yet and cannot cover the state with the current coverage.

14. Starlink may be appropriate for certain remote areas, but the state still lacks basic connectivity, including middle mile. Will you assure me that Commerce not rely on Starlink in Alaska as a solution to all our problems?

Answer:

I commit to working with your office on pursuing the most efficient and effective solutions for Alaskans.

U.S. Leadership in Innovation

The Commerce Department plays a critical role in standing up for U.S. companies and promoting U.S. technology leadership globally. American technology innovators are at the forefront of the AI race, and it's important that we stand up for them against discriminatory policies from our allies, particularly the European Union, that could undermine trusted U.S. innovation and infrastructure.

15. As Secretary of Commerce, will you ensure that U.S. companies are best positioned to continue leading the world in AI and other emerging technologies?

Answer:

Yes. I am committed to not only maintaining, but growing, U.S. leadership in AI and other emerging technologies.

<u>Iran</u>

One of the most important functions of the Commerce Department, often overlooked, is the enforcement of U.S. export laws. The Department plays a key role in preventing the illicit exports of U.S. technology to Iran, China, Russia and other adversaries. Iran, in particular, has long sought to acquire sensitive military hardware from the United States through the use of front companies and other schemes meant to avoid detection. This problem is highlighted by the drones Iran is making with American parts that are being used to attack American personnel and our allies.

16. If confirmed, what steps will you undertake to enforce U.S. export restrictions and stop the flow of U.S. goods and technology to Iran?

Answer:

I intend for strong enforcement to be a hallmark of my tenure. Part of that will mean proper resourcing for the Department's enforcement teams.

17. Will you commit to ensure Iranian-backed entities do not circumvent U.S. export laws through third-party front companies and other schemes to avoid detection?

Answer:

Yes. Fighting circumvention is critical to the Department's mission.

18. If confirmed, will you commit to help Middle Eastern countries crack down on illicit exports to Iran, both exports of sensitive materials as well as consumer products with U.S. components?

Answer:

Yes. International partners are an important part of the Department's ability to enforce export controls and catch bad actors.

19. If confirmed, what more do you believe can be done to address illicit Iranian exports to China and Russia, as well as re-exports to Iran?
Answer:
This question will be answered through the America First Trade Policy Presidential Memorandum. I do not want to get ahead of this report to President Trump, but rest assured we will take swift and strong action in due course.

Boycotts of Israel

The Commerce Department is responsible for enforcing U.S. anti-boycott laws, which discourage and, in some circumstances, prohibit U.S. companies from furthering the boycott of Israel fostered by foreign countries. Unfortunately, there has been a surge in foreign boycott activity targeting Israel in the wake of October 7th.

20. Unfortunately, there has been a surge in foreign boycott activity targeting Israel in the wake of the October 7th attacks. If confirmed, will you ensure full enforcement of U.S. anti-boycott laws and regulations?

Answer:

Yes.

21. In your engagements with countries that support boycotts of Israel, will you make it a priority to encourage them to end such support?

Answer:

Yes.

22. Current U.S. anti-boycott laws only apply to unsanctioned foreign boycotts imposed or fostered by foreign countries. Would you commit to working with Congress to clarify our anti-boycott laws to make explicit that cooperation with boycotts fostered by international governmental organizations, like the U.N. Human Rights Council, is not permitted?

Answer:

I will ensure the Department is available to offer technical assistance with drafting updated legislation.

23. I am concerned that Environmental, Social, and Governance (ESG) rating are encouraging boycotts of Israel by downgrading companies doing business in Israel.

Would you be open to having the Office of Anti-Boycott Compliance look at the issue of ESG rating firms and determine how federal anti-boycott statutes may apply to the work of these firms—or pressure imposed by the ESG ratings entities?

Answer:

Yes. I am open to having the Department's Office of Anti-Boycott Compliance review this issue.

24. The United States and Israel have an important, longstanding economic relationship. If confirmed, will you commit to work to deepen and expand that relationship?

Answer:

The Department has numerous tools at its disposal to even further deepen our economic ties through promotion of bilateral trade and investment. The Department can also look into ways for our intellectual property and scientific communities to collaborate further through USPTO and NIST.

Abraham Accords:

President Trump achieved a historic accomplishment with the 2020 Abraham Accords. The agreements saw normalization between Israel and some of our regional partners in the Middle East. The Abraham Accords have vast economic potential that could positively impact the region and the United States. However, over the past couple of years, efforts to expand the Abraham Accords have stalled.

25. As Secretary of Commerce, will you commit to work to expand and deepen the economic and trade aspects of the Abraham Accords, and will you seek opportunities to expand the value of regional cooperation among the United States, Israel and other partners in the Middle East and North Africa?

Answer:

While the Abraham Accords have many moving parts, what will strengthen them in the long term is economic normalization, bilateral trade, and investment. The Department, through its Foreign Commercial Service, is well-positioned to promote and facilitate the strong economic ties that will lead to peace and prosperity throughout the region.

Spectrum:

26. The Biden's Administration's so-called National Spectrum Strategy was an utter failure. All it did was kick the spectrum can down the road by not identifying a single megahertz of mid-band spectrum for reallocation for commercial licensed use. Do you agree that any spectrum strategy adopted by the Commerce Department during your

tenure must actually identify spectrum for reallocation rather than just study bands without any conclusion?

Answer:

I commit to working with agency counterparts to find the most efficient actions for spectrum opportunities for commercial use.

27. Do you agree that beating China in the global 5G race is critical to both US national security and economic security?

Answer:

Yes, I fully agree.

SENATOR TODD YOUNG (R-IN)

Mr. Lutnick, the idea for the CHIPS program originated during President Trump's first term and we were able to continue that effort and get the CHIPS & Science Act signed into law a couple years ago. Since then, we have made great progress implementing the program via the CHIPS Program Office and taking the first vital steps towards reshoring and onshoring the semiconductor manufacturing base in the United States. In fact, we are now the only country that can say it is home to chip fabs for all five leading-edge semiconductor companies. I look forward to working with you to continue and – where possible – improve upon this good work.

1. What are your views on the CHIPS program and will you commit to honoring existing CHIPS agreements to ensure stability for this growing industry that is critical to our national security?

Answer:

I recognize that semiconductors are essential to our national security and economic and technological competitiveness. I look forward to reviewing the investments made to date and working to ensure that, moving forward, Americans are getting the best deal to ensure stability for this important industry.

Mr. Lutnick, the Regional Tech Hubs program is another top priority of mine, and securing additional funding will remain a priority, along with other important unfunded sections of the "and Science" portion of the bill. To date, the Department of Commerce has designated 31 Tech Hubs and selected another 29 to receive strategy development grants. Of the designated Hubs, 18 have received implementation funding so far. One of those 18 – Heartland BioWorks – is aiming to transform Central Indiana into a global leader in biotechnology and biomanufacturing. Like other tech hubs, they are doing so by leveraging the region's research institutions, venture ecosystem, logistics infrastructure, and established manufacturing presence.

2. If confirmed, will you commit to continuing the Department's support for the Regional Tech Hubs program?

Answer:

I recognize the importance of the Tech Hubs program and look forward to closely reviewing the program and staying in contact with your office to ensure that the American people are getting the benefit of the bargain.

SENATOR TED BUDD (R-NC)

1. Are you concerned that the latest Department of Commerce AI diffusion interim final rule published on January 13th, 2025 --which places export quotas on compute power to 150 nations—could cede technology leadership and market share for U.S. companies in key economies, including allies and partners?

Answer:

I understand the America First Trade Policy Presidential Memorandum directs the Department to assess this and other matters and prepare a report to the President. As I have not been confirmed, I cannot speak to those efforts. Moreover, I should not get ahead of that process. These issues are a top priority.

2. Last year de minimis shipments into the U.S. totaled a record 1.4 billion individual packages mainly from China. There are concerns that this volume is being used as a work around for Section 301 countervailing duties. Other countries have either closed or are in the process of closing this loophole.

North Carolina's textile manufacturers are being undermined in particular, as de minimis has contributed to 26 textile plant closures in the past 18 months. Will President Trump consider taking executive action to close this loophole?

Answer:

I cannot speak for President Trump. I understand the Department is currently studying these issues pursuant to the America First Trade Policy Presidential Memorandum.

3. Have you reviewed the EU Deforestation-free Regulation and are you aware of the very prescriptive reporting requirements this regulation will impose on the American forest products industry with no benefit to meeting the intent of the regulation?

Answer:

I am aware of the strict reporting requirements of the EU Deforestation-free Regulation and the prescriptive reporting requirements it will impose on the American forest products industry.

4. To that end, do you believe this regulation and the technical trade barriers it poses for United States industry, particularly when you think about the number of small, private, landowners in the United States compared to countries in the EU and countries like China, rise to the level of what President Trump's America First Trade Policy Executive order asked for in terms of reports, reviews and investigations?

Answer:

I am concerned about the technical barriers to trade posed by the EUDR and its impact on the American forest products industry. Upon confirmation, I will direct my staff to review the impact of the EUDR as part of the reports and reviews the Department will conduct pursuant to the President Trump's America First Trade Policy Presidential Memorandum.

- 5. EUDR has a risk component to it requiring the EU government to perform a risk assessment of all countries shipping products into the EU to establish them as Low, Medium, or High risk of deforestation.
 - a. The United States is by far the gold standard across the entire world for forest management and responsible fiber sourcing. The EU's own studies show this, as well as third-party certifications throughout the world. Yet, the EU has an opportunity to pick winners and losers based on this assessment. Do you think the United States should be identified as a low-risk country for deforestation and if so, shouldn't these complex requirements be dropped for the US if they are indeed low risk?

Answer:

Given our strong anti-deforestation measures in the United States, I do believe that exports from the United States should be considered low-risk and would support efforts to reduce complex requirements.

6. How can the US forest products industry engage with your department and your team to bring more detail to light on this problematic regulation and ensure that Europe's green deal politics are not further harming American businesses?

Answer:

The Department of Commerce should engage with the U.S. forest products industry. Upon confirmation, I will welcome additional insights from the industry about any problems posed by the EUDR and other foreign policies and regulations.

7. In 2022 the Mexican army invaded and shut down Vulcan's world class operations and in September the Government expropriated their property -- the Biden administration did hardly anything to stand up for the blatant mistreatment of an American company that was supplying building materials to the US.

I have been working with my colleagues here in the Senate to ensure Mexico faces consequences for their egregious actions. Mr. Lutnick, could you explain how Mexico's actions toward companies like Vulcan harm our trade relationship and outline steps you could take as Secretary to pressure Mexico to stop this harmful behavior?

Answer:

I will stand up for American companies whenever improper actions are taken against them by foreign governments. I look forward to working with you to address this particular situation.

8. Last year, the European Parliament and Council approved a "Corporate Sustainability Due Diligence Directive," commonly known now as "CS3D." It's another example of Europe's long tradition of left-wing regulatory overreach – but one that carries severe implications in seeking to level the playing field for European businesses competing with U.S. businesses and others around the world. It forces some stringent requirements on U.S. businesses. Are you familiar with the EU's CS3D law?

Answer:

Yes, I am familiar with the Corporate Sustainability Due Diligence Directive.

9. How would you, in your position as Commerce Secretary, engage with your counterparts in Europe on CS3D? The Biden Administration did practically nothing – effectively ceding legislative and regulatory authority to European bureaucrats. What can the Commerce Department in the Trump Administration do to oppose this sort of intrusive, extraterritorial regulatory scheme that will harm U.S. businesses in the pursuit of European ESG policies?

Answer:

The CS3D is a serious concern for American industry and the American economy. The Department and its interagency partners have a wide range of trade tools at their disposal to address unfair and unreasonable trade practices, and I look forward to working with you to find practicable solutions.

10. The European Union's Corporate Sustainability Due Diligence Directive (CS3D) that was recently adopted by the EU, will impose significant costs on thousands of U.S. companies doing business in Europe. This comes at a time when U.S. exports of natural gas are keeping the heat on in Europe this winter because the regulatory structure there has caused companies to flee. Yet the EU is attempting to harm the competitive advantages of U.S. companies by forcing them to comply with CS3D. What will you do as Commerce Secretary to ensure that the U.S. government delivers the most robust of responses against CS3D implementation – or implementation of any similar extraterritorial legislation enacted by a foreign government with implications for U.S. businesses?

Answer:

The extensive scope and burdensome regulations in CS3D is a real concern for American industry and the American economy. I will support engagement with the EU and consider using all available trade tools at our disposal, as appropriate, to respond to EU regulations that harm the American economy and impose unreasonable burdens on our companies.

11. Will you commit to reviewing the Bureau of Industry and Security's "Revision of Firearms License Requirements" Interim Final Rule?
Answer:
Yes.

SENATOR ERIC SCHMITT (R-MO)

1. The previous administration changed our export policy on domestically manufactured items that, despite the justification to the contrary, hurt our allies and cost U.S. manufacturers and exporters hundreds of millions of dollars annually. Will you commit to reviewing the Bureau of Industry and Security's "Revision of Firearms License Requirements" Interim Final Rule and revert back to the previous policy if indeed your findings confirm what I've just told you?

Answer:

Yes. Upon confirmation, I will ensure the Department reviews this policy and takes appropriate action.

2. As Secretary of Commerce, what are your priorities for supporting travel to and within the United States, especially considering major upcoming tourism events like the World Cup and other events in Missouri?

Answer:

As Secretary of Commerce, I plan to promote America's cities and events to the fullest extent. Events, such as the FIFA World Cup in 2026, provide incredible opportunities to highlight American spirit and enterprise in places such as Missouri.

I will support efforts to promote tourism and travel to the United States, including by supporting key industries, such as the aerospace industry and our services industries, that are essential to these efforts. I am also fully supportive of President Trump's efforts to make America safe, which will support travel and tourism.

- 3. The European Union's Corporate Sustainability Due Diligence Directive (CS3D) which was recently adopted by the EU, will impose significant costs on thousands of U.S. companies doing business in Europe. This is a classic example of government overreach that essentially allows the EU to regulate U.S. companies by imposing high fines on companies and supply chains not located in Europe.
 - Will you commit to ensuring that U.S. companies are not regulated by Europe with unrealistic directives like CS3D?

Answer:

I will support engagement with our EU colleagues and consider using all available trade tools, as needed, to respond to the EU's regulations that harm the American economy.

- When it comes to global bodies like the EU imposing costly regulations on U.S.-based companies, what role should American officials play?

Answer:

American officials should consider using all available trade tools, as needed, to respond to the EU's regulations that harm the American economy.

- Would you support legislation or Executive action that would make it illegal for U.S. companies to comply with this EU directive?

Answer:

I look forward to working on any efforts to prevent overly burdensome regulations that negatively impact U.S. companies.

4. Unfortunately, Rural America has often been left behind in economic development initiatives. What steps will you take to ensure that rural communities, like those in Missouri, benefit from President Trump's pro-growth policies?

Answer:

Rural America has far too often been left behind in economic development throughout the history of our country. Upon confirmation, I will prioritize rural communities. I plan to work with your office and other members of Congress to ensure that President Trump's pro-growth agenda directly benefits these communities and allows them to flourish.

5. Missouri is home to key semiconductor facilities like MEMC and Brewer Science, with MEMC investing \$300 million in its new semiconductor plant. Will you commit to visiting my home state with me and working to expand Missouri's role in AI, quantum computing, and other advanced technologies?

Answer:

Yes. I commit to visiting Missouri with you and working with you to expand Missouri's role in AI, quantum computing, and other advanced technologies.

SENATOR SHELLEY MOORE CAPITO (R-WV)

WV's BEAD Status

In our December meeting, we discussed the BEAD program. It is critical for getting broadband access to over 98,000 locations that are currently unserved.

My state has jumped through all the hoops and done everything right from the start, and now they are on the cusp of getting \$1.2 billion this spring and finally having shovels in the ground.

I think the Biden Administration added a lot of nonsense that Congress did not intend to the program - like labor requirements and strict financial requirements – this red tape is why 3 years after it became law not a single location has been connected yet.

I am supportive of changes that would increase the flexibility of these dollars to make broadband deployment faster and easier for states like mine, but I DO NOT want West Virginia's 3 years of hard work to be wasted, if they have to start over at square 1 under changes that your department could make.

1. Can you commit to me that any changes your Department makes to the BEAD program will only make it easier to get West Virginians connected going forward with this money?

Answer:

The BEAD program should operate efficiently and effectively to allow West Virginians and all Americans to get the benefit of the bargain that Congress intended. Upon confirmation, I will focus on this key objective.

Canada Trade

February 1 is approaching—a deadline President Trump has mentioned for imposing 25% tariffs on Canada and Mexico. During President Trump's first term, he and his administration negotiated the successful implementation of the United States Mexico Canada Agreement (USMCA) which resulted in China falling to the U.S.'s number three trade partner behind both of our North American neighbors. West Virginia's number one export market is Canada now.

While there are aspects of USMCA and trade policies with our North American trade partners that need to be addressed, I am concerned about the effect potential blanket tariffs will have on my State's economy.

For example, West Virginia is home to a Toyota plant in Buffalo, that manufactures combined

engines and transmissions which are then sent to Canada for production.

412,000 vehicles imported from Canada to the U.S. include the West Virginia manufactured engines. You have highlighted that the Administration won't raise prices on products made in the United States.

2. Do you agree that tariffs placed on foreign goods may also encompass components of those goods that are manufactured in the United States including a potential decrease of West Virginia-made exports?

Answer:

USMCA enjoyed broad bipartisan support in Congress. Automobiles and automobile parts are a critical part of this agreement, which ultimately has to work for American manufacturing and American workers. Upon confirmation, I look forward to working with you and your staff on these issues.

West Virginia Economic Development Representative

I strongly support the Economic Development Administration's (EDA) effort to promote access to its economic development assistance programs through the use of Economic Development Representatives (EDRs) in under-resourced communities. West Virginia previously had a dedicated West Virginia based EDR whose efforts made a tremendous impact in my state, but who retired in 2024. EDA assured me of their commitment to fill this vacancy and was in the process of filling it. President Trump issued a "Hiring Freeze" Presidential Memorandum that applies to vacant positions if an offer was not made before January 20, 2025 and had a start date on or before February 8, 2025, resulting in the remaining vacancy for this critical position to my state.

3. Can you commit to filling this position as quickly as possible?

Answer:

I commit to working with your office on this issue.

West Virginia Tech Hub

The Tech Hubs Program, created by the bipartisan CHIPS-Plus Act, is a two-phase competition that provides direct investment to geographically diverse regions to drive regional technology-and innovation-centric growth by strengthening a region's capacity to manufacture, commercialize, and deploy critical technologies. The program requires that at least one-third of Tech Hub grants and designations must "significantly benefit a small and rural community".

In 2023, West Virginia submitted three applications for a Tech Hub but was not awarded a Phase 1 designation. One of the applicants, WV Tech Strategy Development Consortium in

Charleston, WV received a planning grant that concludes in April and the Consortium has worked diligently to create a stronger application for the program. The consortium is well suited to further the Tech Hub program's mission.

4. If this program is reauthorized, will you commit to making improvements to prioritize rural applicants, including for the West Virginia Digital Identity Tech Hub?

Answer:

I recognize the importance of rural America and how these regions have not been fairly treated in the past. I commit to working with your office to ensure rural applicants receive thoughtful consideration.

Tech Company Fairness

President Trump's "America First" policies emphasize protecting American economic interests and ensuring fair treatment of U.S. companies in the global marketplace.

I am increasingly concerned with efforts by some of America's closest allies, particularly the European Union, to enact digital policies that target the most innovative U.S. tech companies.

5. As Secretary of Commerce, would you work to ensure American companies are treated fairly and that we continue to lead the world in innovation?

Answer:

Yes.