

**U.S. Senator Maria Cantwell**

**Opening Statement at Senate Commerce Committee Hearing entitled “Nomination Hearing”**

**Witnesses: Mr. Don Graves to be Deputy Secretary of Commerce**

**March 10, 2021**

**Cantwell:** This morning we are reviewing the nomination of Deputy Secretary position for Mr. Don Graves. Welcome to the committee and we look forward to hearing from you this morning and hearing your testimony.

Before I begin, or before we begin, I should say, I want to take a moment to acknowledge what is really a solemn milestone. Today marks the two year anniversary of the Ethiopian Airlines Flight 302 crash and we honor and remember the 157 victims and their families, along with 189 lives lost on the Lion Air Flight 610. These tragedies remind us that there is still much at stake in aviation safety policy. In December, Congress passed important safety reform legislation and these comprehensive safety reform laws now must be implemented by the FAA. It requires this disclosure of new and novel systems and requires those systems like MCAS to be fully vetted by the FAA. The new law also requires manufacturers to adopt safety management systems, create safe reporting structures, and make sure that new whistleblower protections are in place. So, I'm grateful to the families for their tireless advocacy in this effort and clearly for the great work that our committee did in trying to address the crisis.

**Wicker:** Will the Chair yield on that?

**Cantwell:** Yes.

**Wicker:** I thank Senator Cantwell for mentioning this and indeed this is one of the most gripping, one of the saddest events, series of events, that we've had to deal with. I think this committee rose to the occasion and it was a pleasure to collaborate with you, Senator Cantwell, and with other members of this committee. I think we ended up with a great product. We ended up in our oversight function, finding a lot of deficiencies that come with human nature and we have legislative legislation in place to address that. And so, it's appropriate that we pause on this solemn anniversary, but also for me to thank you, and members on both sides of the dais, and our terrific staff for coming together with a product that should provide much of the answer. So thank you.

**Cantwell:** Well thank you, Senator Wicker and thank you for your leadership, and we look forward to continuing to work with you on our oversight role of the FAA, but thank you for that statement.

We will now turn to the nomination of Mr. Graves. So, welcome again to the Commerce Committee. I'm excited to have this nominee as Deputy Secretary for the Department of Commerce before us today because I'm confident he will be a strong partner for the committee, and all of our efforts to help support innovation and growth to our economy. Mr. Graves, thank you for your willingness to serve, and we look forward to hearing your vision. If confirmed, you would bring tremendous experience to the role, both from public and private sector experience. He is focused on supporting local communities, developing workforce to compete in today's environment, helping to support good paying jobs, helping entrepreneurs and making sure that we continue to tackle some of the many challenges that our nation faces. He has served as Deputy Secretary for the Small Business and Policy Advisor at the Department of Treasury. He served as Director of Public Policy at the Business Roundtable, where he saw first-hand what makes some of our most successful businesses work in the private sector. And he's been the executive director of President Obama's Council on Jobs and Competitiveness, a critical role in the economic recovery after the Great Recession. Also been Executive Vice President, head of corporate responsibility and community relations for KeyBank, where he led sustainable economic development initiatives and I appreciate their efforts, one of the institutions that used the EXIM Bank pretty fully and so we appreciate that because that's very supportive of an export economy. And he also served as President Obama's point person for the Federal Detroit Working Group and then on Vice President Biden's Beau Biden Cancer Moonshot initiative.

Not unlike the other roles you've had Mr. Graves, this is a big job under any circumstances, but right now it seems like an immense challenge. Our country is reeling from the deadly pandemic, our economy is still picking up the pieces from the economic fallout that has pursued because of that. To recover, we must focus on empowering workers throughout the country to compete and thrive in a 21st century economy. When I talk to people throughout the state of Washington I hear the same message over and over again: our workers need the tools and resources to compete and our businesses need to have the opportunities that trade relationships offer for them. They like to open up markets, they get that 95% of consumers live outside the United States, and that we've crossed the threshold of a population that is middle class and it's a growing economic opportunity for American goods and products. So, we want to know how the Department is going to use its opportunity there to help the American economy, plays a key role in export promotion through the International Trade Administration's U.S. Commercial Service. American jobs depend on trade, and growing trade is essential. In 2019, our state exported over \$60 billion worth of goods to countries all over the world. So that's planes, and cloud services, and cherries, and apples, and wheat, and fish just to mention a few, but our state is a very trade dependent state. I actually point out to people that I'm pretty sure

that we were already trading with China before Lewis and Clark showed up. So, we want to continue that effort.

In the previous administration, unilateral approaches cost us 245,000 American jobs, and companies at least 1.7 trillion in market capitalization. So, I hope that the Biden Administration and your team particularly at the Department of Commerce will set a goal to help us grow U.S. exports and make sure we meet that. I know the Obama Administration had a goal of increasing exports by 50% over five years, and while they fell short, it was, you know, they still had a very robust goal. I think they had something like a 60 or 65% increase of where they were so I mean, they got 65% of their goal. And so, I think this is a very good goal and I hope that we will look at that.

I also hope you prioritize the US-EU Privacy Shield agreement, and the free flow of data across borders. My colleague, Ranking Member Wicker has been consistently pointing out how critical this agreement is and to get an agreement where we can move forward.

I also want the Biden Administration to elevate the role of science and decision making. Over the last four years, we saw science ignored and undermined and we can't afford that. Our Pacific Northwest fisheries continue to need a science-based fisheries management system. And this is so important for sustainable fisheries, for the economic impact that they have on our communities. In 2018 commercial fishermen caught more than 9.8 billion pounds of seafood, and that in turn supported seafood processors, shipbuilders, trade, and restaurant jobs. In total there's more than a million jobs across the United States supported by the seafood sector and I'm sure you probably know from your previous jobs that there is a lot of international issues here, a lot of market access issues here, but I believe that our sustainable fisheries policy is the idea that we should be exporting, so that people understand what sustainable fisheries around the globe really look like and what we can do.

Another area of science will be weather forecasting and weather forecasting infrastructure. The United States must be a leader in predicting and forecasting weather. Another crucial investment is just the fact that that information on weather makes so many other decisions for shipping, for maritime, for agriculture, actually space, NASA, everybody needs this information, so I hope we can count on you to help bridge that gap.

You'll also as oversight be given additional responsibility to help bridge the digital divide, particularly in Tribal communities. A 2019 report from the FCC said that less than half of those households in Indian Country have high-speed broadband service, a 27% gap from non-Tribal areas. So, we tried to enhance that in the December COVID package, and we'll look forward to working with you on that.

And I will have questions about the census, when we get to our Q&A because we certainly think that that is a priority as well.

So now I'll turn to my colleague Senator Wicker for his opening statement.

## Q&A With Witness

**Cantwell:** Thank you, Mr. Graves. Thank you for your testimony and again, thank you for your past service. Let me just start by mentioning the census. While it's important that we have accurate data, the federal delay, that I think now is being said is several months, will cause many states to--it makes challenges for them as they tried to meet their constitutional duties on redistricting. So, some are already struggling with how to get meaningful public input with a truncated timeline. So if confirmed, will you work to address the state issues and address the accuracy and timeliness of the census?

**Mr. Graves:** Thank you, Madam Chair. I absolutely will work on that issue. I will also listen to the experts, the career experts at the department, and not allow politics to impact the accuracy and timeliness of the census.

**Cantwell:** Thank you. There are several pending fishery disaster determinations for my state, such as Washington Puget Sound Coho salmon fishery, they've been pending for years. Senator Wicker and I are planning to reintroduce our bipartisan bill, which is about reform of the fisheries disaster process, including deadlines to ensure that fishery disasters are elevated and declared in a reasonable timeframe. Let me be blunt: our fishermen are tired of waiting, dealing with NOAA on these fisheries. It's taken literally years to receive, you know, the disaster determination, let alone the funding. So we need a solution and we need reform. How will you help turn the tide on what seems like an endless cycle of disaster timing?

**Mr. Graves:** Thank you Madam Chair. You and I have talked about this in the past and I appreciate how critical it is for the fisheries around the country, and especially for the fishing industry. Sustainably managed fisheries are critical to our economy, to our culture, to the fishing industry. I will absolutely work with the career staff at NOAA to make certain that we get these disaster dollars out the door and supporting those communities that have been most critically impacted by the pandemic, and by the challenge to our fisheries.

**Cantwell:** Well I'll look forward to working with you and the Secretary in your roles, also on salmon recovery and to boost the impacts of salmon caused by, you know, challenges of infrastructure investment, and the fact that we need infrastructure for them as well.

So, let me turn to a couple of other things. You know, I mentioned our export economy and how important it is to the state of Washington, that obviously the department plays a pretty

key role. You have people all over the world, really, as U.S. Commercial Service Officers, and you're on the front line, but I think today's anniversary reminds me how much we need Commerce to play a role in the advocacy for safety and standards and open markets. Aviation, as we get out of this pandemic, is going to be a very competitive marketplace, and the United States has to help us in the implementation of this legislation, advocate for the safety standards around the globes and for open markets to make sure that people understand that we want competition--it has to be an open and fair competition. And so you can comment on that, but let me just throw in one thing because you can take both of these as a question.

Yesterday, I think the airlines presented to the White House an idea of some sort of vaccination card. Now, as somebody who's traveled abroad at times and been asked for my yellow fever vaccination card, it's played a key role to tourism in certain nations around the globe. So, should we be considering--we have more than 92 million vaccinations, which has been about 18% of the U.S., and I know that we're going to continue to be as rampant as we can and getting the vaccines into people's arms. But obviously, getting tourism open to other countries at some moment is going to be a pretty key issue. So what do you think of this--what do you think the Department of Commerce should be doing to look at this issue, and to further evaluate it?

**Mr. Graves:** Thank you, Madam Chair. I agree that tourism is absolutely critical for our economic growth and our recovery. I believe strongly that we should do all that we can to help ensure that these industries know that the airline workers, the pilots, the flight attendants, and all the rest of the airline workers rely on us making sure that the standards are applied across the globe. And I would certainly, if confirmed, work with the White House, the CDC, Department of Health and Human Services, to ensure that we can get the tourism back on track, get our travel going, and make certain that that they have every precaution that they need, but make certain that travel is open, and that the United States is open for business.

**Cantwell:** Well I hope that you'll look at this and I hope that our subcommittee, and Senator Rosen and Senator Scott, will look at both the legislation that Senator Scott and I introduced on helping our airport infrastructure have temperature check architecture, it would be pretty standard around the globe, and also have a hearing on this issue of some sort of information that helps us stabilize, at the right point, access to travel markets around the globe. Thank you.