

U.S. Senate Committee on Commerce, Science, and Transportation
Nominations Hearing of Mr. Don Graves
March 10, 2021
Questions for the Record – Majority

Senator Amy Klobuchar

Economic Steel Dumping. Iron ore mining has been a way of life for families in northern Minnesota, but illegal practices such as steel dumping unfairly harm our workers. Our workers deserve to know everyone is playing by the same rules, and I have long called for tough actions to address Chinese steel dumping.

Question 1. How do you plan to collaborate with the United States Trade Representative to enforce fair trade practices, especially with regard to steel dumping?

Response:

The Biden Administration and the Department are committed to strong enforcement of U.S. trade remedy laws, including with respect to unfairly traded steel imports from China and other trading partners. If confirmed, I will work with Commerce staff and, when appropriate, the Office of the United States Trade Representative, to expeditiously address non-compliance matters and refer for dispute settlement as needed.

Broadband. As co-chair of the Senate Broadband Caucus, I lead broadband infrastructure legislation with House Majority Whip Clyburn—the *Accessible, Affordable, Internet for All Act*. Our legislation authorizes major investment in broadband infrastructure to help close the digital divide.

Question 2. What are your plans to help expand broadband access as the Deputy Secretary of Commerce?

Response:

The Department of Commerce’s National Telecommunications and Information Administration (NTIA) has three new programs: 1) the \$1 billion Tribal Broadband Connectivity Program; 2) the \$300 million Broadband Infrastructure Program; and 3) the \$285 million Connecting Minority Communities Program. These programs will play a vital role in bringing broadband to tribal lands, along with other unserved areas of the country, and the Connecting Minority Communities Program will be focused on connecting underserved communities through Historically Black Colleges and Universities and other Minority-Serving Institutions. If confirmed, I look forward to assisting in ensuring these programs are implemented effectively and efficiently.

And of course, as you know the President’s Jobs Plan proposes an up to \$100 billion investment to bring affordable, reliable, high-speed broadband to every American. Broadband internet is the new electricity. It is necessary for Americans to do their jobs, to

participate equally in school learning, health care, and to stay connected. I'm excited to work with Congress to pass the Jobs Plan so that we can finally close the digital divide.

Question 3. What are your plans to promote digital equity and inclusion, and will you work with me to help address this need?

Response:

I have spent my career working on equity and inclusion issues so if confirmed, I look forward to working with you to address this important need. I will also work to ensure that NTIA leverages its knowledge and best practices to promote digital equity and inclusion. The President's Jobs Plan also commits to addressing not only lack of broadband infrastructure, but also to tackling the digital divide—to addressing the adoption and affordability problem.

Senator Brian Schatz

Papahānaumokuākea Marine National Monument. The expansion of the establishment and expansion of the Papahānaumokuākea Marine National Monument (PMNM) marks an extremely consequential development in the U.S. conservation portfolio because it obligates the United States to a course of environmental stewardship, scientific exploration and research, and cultural/historical preservation. The National Marine Sanctuary Foundation (Foundation) has presented a spectrum of funding priorities in its letter to Secretary Raimondo dated February 16, 2021, and to the Biden Administration, dated March 2, 2021. Letters attached for reference. These letters describe the resources needed to support not only the PMNM, but the entire network of marine national monuments and national marine sanctuaries.

Question 1. Do you support the Papahānaumokuākea Marine National Monument? Why or why not?

Response:

I support Papahānaumokuākea Marine National Monument, which has a long history of bipartisan support and Presidential protection by both Democratic and Republican Administrations. The monument encompasses coral islands, seamounts, banks, and shoals that are both ecologically significant for their extraordinary biodiversity and of great cultural and spiritual importance to Native Hawaiians. If confirmed, I look forward to working with you and Congress to conserve such special places.

Papahānaumokuākea Sanctuary Designation. In recognition of the importance of the site, the Congress included language in the Joint Explanatory Statement of the Managers to the FY21 omnibus appropriations legislation that directed the National Oceanic and Atmospheric Administration (NOAA) to commence the Sanctuary designation process for the PMNM: Papahānaumokuākea Sanctuary Designation. – NOAA is directed to initiate the process under the National Marine Sanctuaries Act (16 U.S.C. 1431 et seq.) to designate the Papahānaumokuākea Marine National Monument as a National Marine Sanctuary to supplement and complement, rather than supplant, existing authorities. NOAA shall provide the Committees an update on this designation before the end of fiscal year 2021.

Question 2. May I have your commitment to work with me on NOAA’s efforts to implement this language?

Response:

Yes. If confirmed, I will support NOAA’s initiation of the process to designate Papahānaumokuākea Marine National Monument as a National Marine Sanctuary, and ensure NOAA provides an update by the end of this fiscal year.

NOAA Budget Support. In order to fulfill the stewardship responsibilities for the PMNM, and to implement the Congress's mandate on sanctuary designation, NOAA will need significant resources, such as those described in the Foundation's letters to the President and Secretary Raimondo.

Question 3. May I have your commitment to work with the Congress and external partners to ensure strong support for both marine national monuments and national marine sanctuaries in the budget and appropriations process for FY22?

Response:

If confirmed, I commit to working with Congress and stakeholders to determine appropriate resources for marine national monuments and national marine sanctuaries that are managed or co-managed by NOAA.

Senator Tammy Baldwin

Environmental, Social, and Governance (ESG). Mr. Graves, I have question with respect to the growing emphasis on environmental, social and governance (ESG) performance by our nation's businesses. Over the last several years I have been working closely with several entities in Wisconsin including The Water Council, Marquette University and Wisconsin Center for Manufacturing & Productivity to support their expanding national leadership with respect to water technology, sustainability, and sustainable finance.

Question 1: With the President's emphasis on strengthening American manufacturing, addressing climate change and attention to ESG, can I get your commitment to work with me and our Wisconsin entities to improve the resilience of US supply chains and business competitiveness with respect to ESG?

Response:

If confirmed, I will work with NIST and encourage continued support of the efforts of the Wisconsin MEP Center, WCMP, and the NIST MEP National Network on initiatives like this in Wisconsin and other states to build resilient U.S.-based supply chains that contribute to business competitiveness.

Senator Jacky Rosen

Manufacturing. Manufacturing has always been an important part of the American economy and while some of the products we used to make now are produced overseas, America still leads the way in producing semiconductors, the microelectronics that serve as the brains for everything from PCs, to phones, to modern medical devices. These tiny instruments are the keystone upon which the entire digital economy is built. They have applications for civilian and defense purposes and it is critical that we continue to lead the world in chip manufacturing. But American firms are at a disadvantage vis-à-vis foreign firms since foreign governments provide so many incentives to their companies that a Boston Consulting Group study found that it's almost 30% more expensive for a company to build a fab in the United States than it is overseas.

Last year, Congress passed landmark legislation aimed at strengthening the American semiconductor industry. The CHIPS Act is critical to America since it will help our nation continue to lead the way in semiconductor manufacturing. The Department of Commerce is responsible for the act's main grant programs. While the bill is silent as to which bureau will lead the grant program, it would make sense to me that it would be led out of NIST, since NIST leads advanced manufacturing efforts within the Department and across the government.

Question 1: Mr. Graves, as Deputy Secretary of Commerce you will be the Chief Operating Officer of the Department. What steps will you take to ensure the bill is implemented properly?

Response:

Successful implementation of the CHIPS Act will be one of the highest priorities for me if I am confirmed. I believe the implementation of this legislation is critical to regain U.S. semiconductor technology and R&D leadership, increase market share in bleeding-edge logic fabrication, and maintain market share in overall fabrication capacity including older-generation logic and memory chips.

It is my understanding that the Department has actively been engaging with its bureaus to implement the CHIPS Act. If confirmed, I will seek briefings to ensure I am quickly brought up to speed on the Department's progress to implement the Act, and I look forward to working with our bureaus, including NIST, to ensure that the grant program is administered appropriately.

National Weather Service. There are over 400 vacant positions in the National Weather Service (NWS), many of which are characterized as emergency-essential employees.

Question 2. What is your understanding or the reason why the NWS hasn't backfilled these vacancies and will you make doing so a priority?

Response:

The National Weather Service should be gold standard for weather prediction worldwide. We have some of the best scientists in the world in NOAA and the National Weather Service.

The increase in extreme weather events only highlights the importance of having a first-rate weather prediction service. Protects lives, businesses, property with timely provision of reliable data. As a result, it is important to fill vacancies as expeditiously as possible.

However, it is my understanding that while NOAA's National Weather Service has had a history of staffing difficulties, these issues have been largely addressed.

If confirmed, I will work to ensure that NOAA, and all of bureaus at the Department of Commerce, execute their budget and staffing in accordance with Congressional funding and direction.

Senator Kyrsten Sinema

Semiconductor Manufacturing Grants. Semiconductors play a crucial role in our economic and national security. The 2021 defense authorization law included important provisions to incentivize domestic semiconductor manufacturing and reverse the decline in American semiconductor manufacturing jobs. I am committed to working with my colleagues in the Congress to fund the CHIPS for America Act grants.

Question 1: Will you commit to depoliticize the grant process and to establish a procedure that reviews applications and distributes grants based on the benefits to domestic semiconductor manufacturing and not based on politics or the location of the project?

Response:

If confirmed, I am committed to running a process that adheres to the requirements outlined in the Fiscal Year 2021 National Defense Authorization Act (NDAA) and that is oriented at ensuring that the U.S. is able to regain semiconductor technology and R&D leadership, increase market share in leading-edge logic fabrication, and maintain market share in overall fabrication capacity.

Semiconductor Research. In addition to the grants to expand domestic manufacturing of semiconductors, the 2021 National Defense Authorization Act calls on the Department to establish a National Semiconductor Technology Center (NSTC). The NSTC is intended to conduct research, development and prototyping to maintain U.S. leadership in this critical technology.

Question 2: What role do you envision your Department playing in funding research in critical technologies, such as semiconductors?

Response:

The Department of Commerce plays a critical role in advancing R&D for the manufacture and production of next generation semiconductor technologies. If confirmed, I will encourage Commerce to work across the government to create opportunities for advanced manufacturing, design and packaging research, and prototyping and workforce training to develop the next generation of engineers and technicians.

Broadband Interagency Coordination. The National Telecommunications and Information Administration (NTIA) can play a major role in expanding broadband throughout Arizona. In addition to the programs to designed to expand access into rural and tribal areas of Arizona, the COVID relief bill also sets up a one-stop shop at NTIA to coordinate broadband development opportunities across the executive branch.

Question 3: Will you commit to quickly establish that office and help state and local governments identify all the opportunities for federal assistance for broadband deployment?

Response:

I strongly agree that NTIA can play a major role in expanding broadband throughout Arizona, and the establishment of better interagency coordination. If confirmed, I commit to working to quickly to improve coordination that program.

Cross Border Trade. Cross border trade is an economic driver of Arizona's economy. A University of Arizona study shows that Mexican tomato imports support 33,000 U.S. jobs. Agribusiness supply chains derived from these imported tomatoes account for nearly \$3 billion in U.S. gross domestic product.

With trade agreements in place, such as USMCA, the North America supply chain provides consumers with the opportunity for choice and affordable produce while supporting our domestic growers. USTR has recently initiated a number of trade investigations having to do with imported produce, specifically related to seasonality concerns. These investigations destabilize the supply chain and open the door to potential damaging retaliations from our trade partners. That's why I joined with Senator Moran and other members of Congress to send a letter to USTR, urging them to consider the potential impacts when making these decisions.

Question 4: In your opinion, how do we continue to foster a strong trade supply chain while not disrupting the USMCA and ensuring our domestic growers are supported and consumers are given affordable choices throughout the year?

Response:

The Department will continue to use the tools available to help ensure that domestic producers/farmers of seasonable and perishable goods are competing on a level playing field. If confirmed, I can assure you that those tools will be applied in a fair and transparent matter, in line with U.S. law.

Commercial Space. The commercial space industry is growing at an incredible speed-- creating jobs, innovating, and fostering public-private partnerships across the country. Yuma, Arizona is currently going through the process to establish a spaceport that would have the ability to launch mini and nano satellites. If the spaceport moves forward, it will grow Yuma's economy and help the United States remain a leader in space.

Question 5: As the commercial space economy expands and more technology is sent into space, how will you work with entities to ensure the National Airspace System is able to support additional launch and reentry points as well as increased traffic?

Response:

I understand the importance in providing space situational awareness and traffic management to ensure safe and productive development in the space economy. If confirmed, I look forward to working with NOAA, other federal agencies, and Congress on this important topic.

Space Traffic Management: Given the exponential growth in numbers of satellites and the increasing amount of debris in orbit, the Office of Space Commerce is charged with protecting the space-based services that are critical to our nation's infrastructure, sustaining U.S. space sector leadership globally, and international space cooperation. Last year Congress provided increased funding for the Office of Space Commerce and direction to initiate a Space Traffic Management (STM) pilot program in collaboration with industry.

Question 6: What are your thoughts on the importance of Space Traffic Management?

Response:

Successful and collaborative space traffic management will be essential if the U.S. and the world are to realize the potential benefits of a healthy and growing space economy. If confirmed, I look forward to working with NOAA, other federal agencies, and the Congress on this important topic.

Privacy Shield. In July of 2020, the European Court of Justice struck down the Privacy Shield program, invalidating a critical mechanism for transferring personal data to the United States from the European Union. This has raised significant concerns about the continued viability of trans-Atlantic data flows, which are estimated to generate more than \$7 trillion in economic activity.

Question 7. As Deputy Secretary of Commerce, will you support and prioritize the on-going negotiations to replace the Privacy Shield program with the goal of ensuring the continued viability of trans-Atlantic data flows?

Response:

Negotiating an enhanced Privacy Shield and restoring stability to trans-Atlantic data flows is a top priority for me if I am confirmed to be the Deputy Secretary of the Department of Commerce.

Bioscience and IP Rights: In Arizona, our bioscience and biotech industries fuel new jobs, and delivering life-changing innovations. We've worked hard in Arizona to leverage smart public sector investments to attract next generation start-ups, as well as global companies looking to build out manufacturing and research facilities. Arizona inventors have been awarded more than

2,000 bioscience-related patents since 2016. Never have the benefits of strong IP been as relevant as they are today. We have seen how pharmaceutical researchers have worked so quickly to develop COVID vaccines and therapeutics, and the importance of going after stolen IP and fraudulent medical products.

Question 8: In order to continue driving discovery and to maintain the global competitiveness of American and Arizonan companies, how will the Commerce Department use trade enforcement tools to create a level playing field and protect millions of American jobs?

Response:

If confirmed, I will support Secretary Raimondo's commitment to leverage the Department's extensive expertise and resources, including the U.S. Patent and Trademark Office and the International Trade Administration, to promote the protection and enforcement of Intellectual Property (IP) rights around the world by providing training and technical advice to foreign trading partners. This includes continued outreach and assistance to U.S. IP owners, including small businesses, in the protection and licensing of their patented inventions and copyrighted works, including through our network of Intellectual Property Attaches in embassies, consulates, and missions around the world.

Senator Raphael Warnock

FCC. The COVID-19 pandemic has highlighted existing inequalities families and communities have faced for too long. One issue in particular pertains to broadband as we have seen our children struggle with significant learning loss due to remote learning. In Georgia, 1 in 5 rural Georgians are without high-speed Internet access. Thankfully, before I arrived in the Senate, \$3 billion in broadband subsidies were included in the December 2020 package to help Americans afford Internet access. Then, the *American Rescue Plan Act*, which was passed and signed into law with my support, included over \$7 billion in E-Rate funds for schools and libraries.

Question 1. How will you support the Federal Communications Commission to ensure these funds are distributed as quickly and efficiently as possible?

Response:

Coordination among federal agencies is critical to addressing your concerns about the loss of learning and additional difficulties families and children in particular have faced in dealing with the COVID-19 pandemic. If confirmed, I commit to leveraging resources of the Department to address the issues associated with connecting Americans to affordable Internet access for learning and earning, as well as coordinating with the Federal Communications Commission (FCC), the U.S. Department of Agriculture, and other federal departments and agencies to close the digital divide in our country.

MBDA: I would be remiss to not also mention the many businesses that have shuttered because of the pandemic. My father was a small businessman who worked tirelessly to support me and my siblings. Because of him, I'm particularly interested in the Minority Business Development Agency (MBDA) and its work to promote private and public sector investments in minority businesses. The Atlanta business and advanced manufacturing MBDA centers are housed at Georgia Tech and have helped thousands of entrepreneurs and manufacturers.

Question 2. Given your family's entrepreneurial spirit, do you have a vision for what that agency can accomplish not just in response to COVID but broadly?

Response:

My vision for the Minority Business Development Agency (MBDA) is to expand its reach and impact on underserved communities. There are more than 9.2 million minority business enterprises but only 2% have more than one employee. This is lost opportunity for our nation's economy. MBDA is uniquely qualified to lead the federal government's efforts to equip and empower the nation's minority business enterprises (MBEs) for the domestic and global economies. The Agency has worked with the minority business community for over 50 years and has the expertise, nationwide presence, and strategic partners to ensure that taxpayer investments produce sustainable outcomes for the minority business community.

MBDA promotes the growth of minority business enterprises through the mobilization of public and private sector partnerships, programs, policy, and research. If confirmed, I will work to ensure MBDA can accomplish its goals and maximize the resiliency and success of MBE firms.

Question 3. Also, how do you feel about codifying the MBDA as a permanent agency to ensure long-term, consistent impact? How can Congress be of assistance to support those goals?

Response:

The establishment of statutory authority for MBDA would elevate the importance of racial equity within our nation’s business community. It would go a long way towards demonstrating community investment and engagement in making our economy more inclusive.

NOAA. Climate change has increased the severity and variability of natural disasters that impact Georgia and other Southern states. In 2019, the National Oceanic and Atmospheric Administration (NOAA) awarded a contract to Gulfstream Aerospace Corporation located in my hometown of Savannah for the purchase of a new Gulfstream G550. This “Hurricane Hunter” aircraft is important to improve weather service reliability and capabilities. An administration that supports scientific integrity is paramount, and incidents like “Sharpigate” are unacceptable and mislead the public about the potential impacts of harmful natural disasters. It is important to me that my constituents are getting accurate and timely weather information and that NOAA has the resources to do so.

Question 4. How will you work to ensure NOAA’s scientific policies are enforced and Georgians are more prepared for the impacts on natural disasters and climate change?

Response:

On January 27, 2021, President Biden issued the Presidential Memorandum on *Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking*, which requires scientific agencies to coordinate with a new Scientific Integrity Task Force to ensure, among other things, that their scientific integrity policies are consistent with scientific principles. It is my understanding that NOAA already has one of the strongest Scientific Integrity policies in government - we simply must work to ensure it is followed and enforced. If confirmed, I will ensure that NOAA and the Department conduct reviews to determine what additional steps are needed to be in full compliance with the President’s Executive Order, including by implementing a robust scientific integrity policy at the Department to improve trust and accountability.

Tackling climate change is a priority for the Biden Administration. On January 27, 2021, President Biden released the Executive Order on *Tackling the Climate Crisis at Home and Abroad*. If confirmed, I will work through the expertise in bureaus like NOAA to help

Georgians and all Americans be more prepared in the face of natural disasters and climate change.