

**SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

*“Nomination of Alexander Hoehn-Saric to be a Commissioner and Chair of the Consumer Product Safety Commission (CPSC); Mary T. Boyle to be a Commissioner of the CPSC; Richard Trumka, Jr. to be a Commissioner of the CPSC; and Grant Harris to be Assistant Secretary for Industry and Analysis at the Department of Commerce”*

10:00 AM, July 28, 2021

**Questions for the Record from Senator Klobuchar to Mr. Grant Harris, to be Assistant Secretary for the Industry and Analysis, Department of Commerce**

*Travel and Tourism.* In this role, you would help to oversee the National Travel and Tourism Office, the federal government’s official liaison to Brand USA—a public-private partnership that promotes international tourism throughout the U.S. Before the pandemic, Brand USA supported more than 45,000 jobs a year and generated a total of \$56 billion to the U.S. economy.

*Question.* Inbound international travel has historically been the nation’s second largest industry export, generating \$233 billion and supporting 1.2 million jobs in 2019. If confirmed, how would you work with the National Travel and Tourism Office to help the travel and tourism recover from the coronavirus pandemic?

*Answer.* **Industry & Analysis’s National Travel and Tourism Office (NTTO) is the lead office and primary point of contact for travel and tourism within the federal government. NTTO provides data for private- and public-sector decision making and represents the economic interests of the sector in national security discussions. On behalf of the Secretary of Commerce, NTTO coordinates private-sector input and interagency policies and programs through the Travel and Tourism Advisory Board and Tourism Policy Council, respectively, and serves as the liaison for the Federal Government to Brand USA.**

**If confirmed, I will lend my support to these efforts by working with industry stakeholders, the members of the Tourism Policy Council, the White House, and Congress to help support the recovery and growth of the sector and to restore the competitiveness of the United States as a travel destination.**

## Questions for the Record from Hon. Baldwin to Mr. Grant Harris

***Supply Chain Resiliency.*** Mr. Harris, the Commerce Department was one of several agencies involved in producing a recent report on supply chain disruptions called for by President Biden in an Executive Order earlier this year. The report found that a key driver of supply chain vulnerability was the private sector's excessive focus on short-term stock price targets and buybacks done at the expense of long-term investments.

If confirmed, you will craft solutions to improve supply chain resiliency and bring production back to the US.

*Question.* Given the Administration's acknowledgement that buybacks contribute to supply chain vulnerabilities, would you support restricting buybacks for companies that receive government subsidies to manufacture in the US?

*Answer.* **The June 2021 report to the President, titled "Building Resilient Supply Chains, Revitalizing American Manufacturing, and Fostering Broad-Based Growth," noted several key drivers of supply chain vulnerability, including: 1) insufficient U.S. manufacturing capacity; 2) "misaligned incentives and short-termism in private markets;" 3) industrial policies adopted by other Nations; and 4) "geographic concentration in global sourcing."**

**If confirmed, I will work with colleagues in the Department of Commerce and other departments and agencies along with Congress and public and private sector stakeholders to seek to address these supply chain vulnerabilities, including the issue of misaligned incentives in private markets.**

## Questions for the Record from Hon. Sinema to Mr. Grant Harris

***Federal Investment in Semiconductors.*** The Senate passed the U.S. Innovation and Competition Act in June, which builds on the CHIPS for America Act by providing \$50 billion for American semiconductor manufacturing.

*Question 1.* The United States continues to face a shortage of semiconductor chips. If confirmed, how will you use your role as Assistant Secretary for Industry and Analysis to address this shortage?

***Answer.*** **If confirmed, I will play an active role in President Biden’s whole-of-government approach to semiconductors. In the short term, I will work with companies and trading partners to increase transparency in the supply chain and explore options for alleviating this shortage. In the long term, we must take steps to ensure U.S. leadership of a resilient and secure supply chain for semiconductor chips, including continued assistance to firms expanding their semiconductor manufacturing investments and nurturing the end-to-end semiconductor manufacturing ecosystem in the United States. If confirmed, I look forward to working with Congress to these ends.**

***Role of Critical Minerals.*** To produce semiconductors and transmit electricity, the United States relies on critical minerals, many of which are mined outside of our nation’s borders. This poses a risk should our supply of critical minerals be disrupted by natural disasters or the actions of hostile actors in other nations.

*Question 2.* Please describe the importance of secure and reliable supply chains to our nation’s mineral and energy security. If confirmed, how will you work to address supply chain vulnerabilities that may have the potential to affect access to affordable energy and our nation’s economic recovery goals?

***Answer.*** **On February 24, the President issued Executive Order (E.O.) 14017 on “America’s Supply Chains,” noting that “the United States needs resilient, diverse, and secure supply chains to ensure our economic prosperity and national security. Pandemics and other biological threats, cyber-attacks, climate shocks and extreme weather events, terrorist attacks, geopolitical and economic competition, and other conditions can reduce critical manufacturing capacity, and the availability and integrity of critical goods, products, and services.”**

**The E.O. called for several “100-Day Reports” identifying supply chain risks, including a Commerce-led report on semiconductor supply chains, a DOD-led report on critical minerals, and a DOE-led report on high-capacity batteries. Industry & Analysis contributed significantly to all of these reports. If confirmed, I would ensure that Industry & Analysis continues to provide intellectual leadership towards identifying and implementing actionable solutions to effectively address vulnerabilities involving semiconductors and the security of energy and critical minerals in our nation’s supply chains.**