

**NOMINATIONS OF JOHN BRYSON
AND TERRY GARCIA TO THE
U.S. DEPARTMENT OF COMMERCE**

HEARING

BEFORE THE

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

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

—————
JUNE 21, 2011
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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

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**NOMINATIONS OF JOHN BRYSON
AND TERRY GARCIA TO THE
U.S. DEPARTMENT OF COMMERCE**

TUESDAY, JUNE 21, 2011

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 2:38 p.m. in room SR-253, Russell Senate Office Building, Hon. John D. Rockefeller IV, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. JOHN D. ROCKEFELLER IV,
U.S. SENATOR FROM WEST VIRGINIA**

The CHAIRMAN. I would like to call this nominations hearing to order.

Senator Feinstein, I realize that you and Senator Boxer want to introduce, but there may be others who want to give opening statements.

So we have two distinguished people this afternoon before us, and the first is John Bryson of California. Mr. Bryson is nominated to be the next Secretary of Commerce. Our second nominee, Terry Garcia, is of Florida. He is nominated to be Deputy Secretary of the Department of Commerce. That sounds like number one and number two.

Much of the conversation today is going to focus on Mr. Bryson, who has a varied and very impressive resume, and a background running an extremely large utility company in California for a very long time. That background, to me, is more important than ever.

But on the other hand, some have raised concerns about Mr. Bryson's experience as a founding member of an environmental organization that has, at times, used very aggressive tactics, including suing Mr. Bryson and his company, and then also having policies that don't necessarily comport with some views held by others on the Committee.

Others have raised concerns about his support for a 2009 proposal to cap emissions, which was a position widely held in the utility industry. That's an important sense, that it was widely held in the utility industry. But it was a bill that I opposed.

That said, I need to tell you that I had a very productive and positive meeting with Mr. Bryson last week when he visited my office, and I have great respect for his desire to serve our country. But along with that, I have enormous faith in his creative ability through his executive experience to find ways to stimulate manu-

facturing—which this Committee is dedicating itself to for the rest of the year and next—and that he has the kind of ability to create jobs in America. It’s an issue which we all talk about and not much happens about it.

The nominations of Mr. Bryson and Mr. Garcia come at an incredible crossroads for the country and for the Commerce Department. High unemployment, a slow recovery, the Commerce Secretary and Deputy Secretary play an enormous role in supporting jobs and our economy. If confirmed, they would face a very steep challenge.

I have long fought for a stronger manufacturing sector in this country. Manufacturing has been hit hard over the last decade—losing, as everybody knows, nearly one-third of its workforce—and the Government’s response has been piecemeal to tepid.

This needs to change. The Secretary of Commerce and Deputy Secretary can have a lot to do with that.

If in the next decade, things are as bad for manufacturing jobs as the previous decade, we will have little left in that sector to save. Time is running out on us quickly. This, in turn, has grave national security implications and could cripple our ability to out-innovate and out-compete other countries.

This Committee held two hearings on this issue this year. Next week, I’m holding a full Committee field hearing in West Virginia on exporting products made in America. I’m also going to introduce a slew of bills in the next number of days, which are on point, I believe.

For the foreseeable future, I intend to use this Committee to find ways to make manufacturing a spark in our job-creating agenda.

Finally, Commerce is responsible for much more than promoting American business. For example, almost two-thirds of our department’s budget is dedicated to NOAA, the National Oceanic and Atmospheric Administration. And I want to hear about Mr. Bryson’s views and Mr. Garcia’s views on the Administration’s reorganization proposal. They are not necessarily leaving NOAA alone, I think to a great disadvantage of our country. NOAA’s weather satellites, I want to talk about that, and the Department’s cybersecurity efforts.

In any event, I look forward to hearing from both our nominees today.

**STATEMENT OF HON. KAY BAILEY HUTCHISON,
U.S. SENATOR FROM TEXAS**

Senator HUTCHISON. Mr. Chairman, we have before us today the two most senior positions with the Department of Commerce, which is tasked with promoting business, creating jobs, and spurring economic growth. While this has always been important, it is most essential now, with an unemployment rate at 9.1 percent.

The Administration has talked a great deal about job creation and the need for regulatory reform. But respectfully, the record has not matched the rhetoric. Since taking office, President Obama has grown the size of the federal regulatory workforce by more than 16 percent, by some estimates.

There are now more than 275,000 federal employees whose entire focus is adding to the ever-expanding regulatory burden of

America's job creators. So while there has been talk about streamlining regulation, we see the *Federal Register* come on schedule every day with even more proposed rules for innovators and job creators to negotiate.

Mr. Chairman, this much is certain: We are not going to tax or regulate our way out of the economic downturn. So I will want to know about Mr. Bryson's business experience in a highly regulated market, and, as I have mentioned to him, his comments that seem to favor expanded regulation of the energy sector.

This economy is in need of a jumpstart, and I believe having a Cabinet official committed to economic expansion, trade promotion, and other policies that strengthen America's competitiveness is an essential part of that.

So I will look forward to hearing Mr. Bryson tell the Committee some of his priorities in this area.

I do have concerns with some of the statements he has made about cap-and-trade legislation and the use of regulation as an instrument to reduce what he apparently believes is an overproduction of energy, to thereby reduce greenhouse gas emissions. Given the state of our economy and the anemic job growth we have seen, I believe the question of whether Mr. Bryson will promote regulatory reform to eliminate the excess, as President Obama has promised, will be part of what I would like to ask of him.

I also will be asking the nominees their thoughts on tax reform. The United States currently has the second highest corporate tax rate in the world behind Japan, which has said that it will lower its rate, ultimately leaving the United States with the dubious distinction of having the highest tax rate in the world.

So I would be interested in making sure that we have a voice in the Cabinet that will encourage the President to lower the tax and regulatory burdens that would jumpstart job creation and restore America's global competitiveness. I think the Secretary of Commerce is a bully pulpit, the ability to be a cheerleader for trade and commerce and promoting job creation. And I hope that is what Mr. Bryson will also be able to embrace.

So with that, Mr. Chairman, I thank you for having this hearing and look forward to hearing from the witnesses and moving forward. Thank you.

The CHAIRMAN. Thank you, Senator Hutchison.

It is the Chair's wish that any member who wishes to make a statement of about 3 minutes—and I apologize, Senator Feinstein, to you—is free to do so.

Senator LAUTENBERG. Mr. Chairman, are we doing that in arrival order?

The CHAIRMAN. You know what, I don't have—oh, yes, I do have arrivals, which happens to be a Senator Lautenberg.

[Laughter.]

Senator LAUTENBERG. I didn't mean to interfere.

The CHAIRMAN. Did you camp out the night before?

[Laughter.]

Senator LAUTENBERG. I was here.

The CHAIRMAN. OK.

**STATEMENT OF HON. FRANK R. LAUTENBERG,
U.S. SENATOR FROM NEW JERSEY**

Senator LAUTENBERG. Thanks very much, Mr. Chairman.

And we have a distinguished colleague at the desk, and I don't want to take too much time. But I've got to say, we are so lucky to have someone with the qualifications that John Bryson and Terry Garcia bring to these positions.

I met with Mr. Bryson last week and we have things in common. In addition to being very proud fathers, we're both former CEOs while we care about the environment and the well-being of our children.

So in order to try and meet the short time deadline, I introduce a letter from the Business Roundtable that was sent June 21. And they write, John Engler, who's the President, I believe, of the organization—anyway, he says here that John Bryson's extensive experience in the private sector has well-equipped him to take on the many issues the department must address to support the U.S. economy and job creation, issues like technology, innovation, intellectual property, and trade. And they remind us that the Business Roundtable is an association of chief executive officers of leading U.S. companies with nearly \$6 trillion in annual revenues and more than 13 million employees.

It's hard to find something better than that, and also the fact that he's cared about the environment is deserving of credibility and support.

So, Mr. Chairman, I thank you for doing this, and as I look at Mr. Bryson's background—18 years chairman and CEO of Edison International, delivers power to nearly 14 million Californians, holds the distinction of being our country's top buyer of renewable energy.

Friends, we're lucky to get someone like this who wants to sit in here and do the job that they have to do, sacrifice lots of things in the outside world. And we ought to just move on this thing and stop the obstructionism that so often invades a review of a person's qualifications, without looking at the qualification.

And with that, Mr. Chairman, I proudly beat the 3-minute deadline.

The CHAIRMAN. You did, and I hope in your next go-round, you'll make your views more clear.

[Laughter.]

The CHAIRMAN. With the permission of the Committee, I'm going to ask that Senator Feinstein be able to go ahead and introduce John Bryson, and then we will return to our—

Senator BOXER. The understanding was I would also. I would have been sitting down there but for the fact that—

The CHAIRMAN. Go sit. Do you want to do it from here or there?

Senator BOXER. Here.

The CHAIRMAN. That's fine.

Senator BOXER. Yes, but I would like to follow my friend.

The CHAIRMAN. And that will happen.

Senator Feinstein?

**STATEMENT OF HON. DIANNE FEINSTEIN,
U.S. SENATOR FROM CALIFORNIA**

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

I appreciate this because, as you well know, I chair Intelligence and we're meeting now. And I see members of the Intelligence Committee here, so I know they're not playing hooky, but it's good to be here.

I have the distinct pleasure today to introduce to the Committee John Bryson, a former chairman, CEO, and president of Edison International, and most importantly to Senator Boxer and myself, a Californian.

On May 31, John was nominated by President Obama to serve as the 37th Secretary of Commerce.

I believe that he is enormously well-suited for this important role, particularly at a time when our economy remains fragile and job creation isn't occurring fast enough. John's experience running a multibillion dollar company, a very large utility, his success as a strong advocate for business, and his readiness to advance a jobs agenda make him a strong and positive fit for Commerce Secretary.

I first got to know John when he was CEO of Edison International. That's the parent company of Southern California Edison, which provides power to 14 million Californians and nearly 300,000 businesses.

As the Committee will recall, in 2000 and 2001, California was gripped by an energy crisis that resulted in rolling blackouts that left millions of Californians in the dark. During that difficult time, John's company was under siege. I watched closely as he successfully fended off financial disaster, even as other California utilities were not so fortunate.

I met and spoke with John Bryson often during that energy crisis and remember well his intelligence and pragmatism as utilities, state officials, and Washington worked their way through the crisis. In my observation, he worked hard for the people of California, his shareholders, and the many businesses that relied on a stable power grid.

I believe John will carry the same thoughtful, sensible leadership style with him to the Commerce Department.

And during his years at Edison International, John's leadership of this very large utility was strong and effective. I want to give you an example.

My colleague Senator Boxer knows that I had worked on a utilities cap-and-trade bill. Well, Edison International, headquartered in Southern California, at this time owned a portfolio that was 40 percent coal. As a result, he did not join in support for this legislation. As a result of this also, he had diversified the investment portfolio of that great utility.

Now, why do I tell you this? I tell you this to demonstrate his fidelity to the cause that he is entrusted to serve. And I have respect for that. I could say I was little miffed with him at the time. That's fair to say. But nonetheless, I respected it, because he had such a heavy presence at the time, not in California, but in other states, in coal.

And I think he's going to carry that same style of leadership to the Commerce Department. Simply put, he understands what busi-

nesses need to succeed, and I think will bring that approach to the department, if confirmed.

In addition, he has served as a director, chairman, or adviser for a wide array of companies, schools, and nonprofits, including many institutions with deep roots in California, such as a director of the Walt Disney Company, BrightSource Energy, Boeing, and assets manager KKR, the California Business Roundtable, the Public Policy Institute of California, and USC's Keck School of Medicine. It includes the Council for Foreign Relations, Stanford University, California Institute of Technology, and the California Endowment.

I'm also proud to note that he and I share the same alma mater, Stanford, where John earned his undergraduate degree. Later he attended Yale Law School before returning to California.

John's experience paints a picture of a leader who focuses on the practical and the achievable. And I think this is really his great selling point.

So I believe, if confirmed, he will support measures that really meet these criteria. At this time in our troubled economic history, our number one priority as a government must be to grow this economy. It must be to get people back to work.

In my view, John's combination of pragmatism, experience in the boardroom, and understanding of the public sector will make him an outstanding Secretary of Commerce. I expect he will be a powerful voice inside the Administration and a partner with the business community to grow our economy and open international markets for American manufacturers. I count on him to do just that.

I'm delighted that he is here today with his wife, Louise, who sits directly behind me.

And I very much thank you for the courtesy, Senator Rockefeller, and also for that of your committee. Thank you very much.

The CHAIRMAN. Thank you, Senator Feinstein, for what was a very eloquent introduction.

I call now on Senator Boxer, so that she can make her remarks.

**STATEMENT OF HON. BARBARA BOXER,
U.S. SENATOR FROM CALIFORNIA**

Senator BOXER. Thank you so very much.

I want to thank Senator Feinstein. I know she needs to leave, and we wish her well in all of her hard work. I often say at home, I'm chairman of a committee, and Senator Feinstein is, but the difference is, I can talk about my work and she really can't say that much about hers, because the Intelligence Committee is kind of secretive, so we wish you well.

Senator FEINSTEIN. Thank you.

Senator BOXER. I want to say how pleased I am to add my voice of welcome to the Brysons, both of them.

And, Louise, why don't you raise your hand, so everyone sees who you are. We're just thrilled you're here, and they have four daughters.

And I want to say to my colleagues on both sides of the aisle, I think that our country is really better served when the people pay attention to the work we do. I hope they pay attention to this nomination and the way this particular nominee is treated. I could speak personally that Senator Lautenberg is right when he says,

thank you, John, for accepting this challenge. And I hope you'll be treated with respect. I hope you'll get a swift confirmation.

And I'll tell you why. You bring a wealth of experience in both the private sector and the public sector to this very important job. You get it. You understand what it means to meet a payroll. You understand what it means to create jobs. You understand what it means when people are hurting. And people are hurting, and we all know that. And again, we're so fortunate to have you here.

What I'm going to do is, Mr. Chairman, in the interest of time, is to ask you to put my statement in the record.

And I would like to conclude with a quote from the *Los Angeles Times*, June 21, a wonderful editorial, and I'll close with that within my time. The headline says, "Commerce Department nominee deserves the job," and the subhead is, "Within a rational political universe, John Bryson's credentials would bring him confirmation by acclamation."

And here's what they say, in part, "A long-time chairman and chief executive of Southern California Edison and Edison International, he is a pillar of the region's business community, admired by the Chamber of Commerce and his fellow executives. He also was a founder of the Natural Resources Defense Council, where his work earned him respect and appreciation from California's environmental movement. He's been president of the California Public Utilities Commission and he even served as a director of Boeing, dipping his toe into the nation's military-industrial complex. He is thus the rare nominee."

And that's why I say—my editorial—I hope everybody follows this in politics, whether you're a Republican, a Democrat, or an independent, because John is the rare nominee to present himself to Congress with endorsements from the Chamber, military suppliers, and the nation's leading environmental organizations.

If ever there was a time for someone who can bring us all together, this is that moment in history.

Tom Donohue of the Chamber said, Mr. Bryson's "extensive knowledge of the private sector and years of experience successfully running a major company" makes him qualified. The Business Roundtable, Senator Lautenberg read a quote, let me read another one. The Business Roundtable called Mr. Bryson, quote, "A proven, well-respected executive who will bring his private sector experience to the Commerce Department's broad portfolio that includes technology, trade, intellectual property, and exports, which will be crucial to expanding the economy and creating jobs."

I noted in your opening statement, John, that you talked about your work with colleagues in founding the NRDC, and it was before Richard Nixon signed the Clean Air Act and the Clean Water Act and the rivers were on fire at that time. And I want to thank you for that, because I find myself quoting Richard Nixon quite a lot on the floor of the U.S. Senate these days, as there are moves to repeal this or that part of our landmark laws.

So, in sum, this is a man who really should be a unifying force. And I'm just thrilled with the nomination, and I thank you for the honor of being able to speak today.

[The prepared statement of Senator Boxer follows:]

PREPARED STATEMENT OF HON. BARBARA BOXER, U.S. SENATOR FROM CALIFORNIA

Thank you, Chairman Rockefeller and Ranking Member Hutchison.

I am pleased to introduce John Bryson of California, President Obama's nominee to be Secretary of Commerce.

Mr. Bryson brings a wealth of experience in both the private sector and the public sector to the very important job of Commerce Secretary.

In the 1970s and 1980s he served as the Chairman of the California Water Resources Board and as the Chairman of California Public Utilities Commission. There he helped California navigate droughts, oil shortages, and other crises during a critical period in our state's history.

And for more than 20 years Mr. Bryson has utilized his talents in the private sector, first as Chairman and CEO of Southern California Edison, and later as Chairman and CEO of Edison International.

Mr. Bryson has also served on the boards of many companies, both large and small, and will bring to the job of Commerce Secretary a unique expertise on what it takes for businesses to grow and expand.

As Mr. Bryson has said and will say again today, his top priority is job creation. As Commerce Secretary he'll be working closely with the President to meet the goal of doubling the Nation's exports by 2015 and creating hundreds of thousands of new jobs here in the United States.

He'll be working with the private sector to drive innovation and economic growth. And he'll be working to make the United States a leader in the clean energy economy.

At Edison International, Mr. Bryson helped California become a hub for clean energy development and clean energy jobs by making investments in solar and wind technology.

He understands new clean energy technologies will create millions of jobs here at home and that the Nation that rises to this challenge will lead the world.

These varied experiences will serve Mr. Bryson well as he takes on a role in the Administration that will require him to work with President Obama and the private sector to invigorate our economy and create jobs.

Mr. Bryson's nomination has been applauded by all sides of the political spectrum, from environmentalists to business interests.

Tom Donohue of the Chamber of Commerce praised Mr. Bryson's "extensive knowledge of the private sector and years of experience successfully running a major company."

The Business Roundtable called Mr. Bryson a "a proven, well-respected executive who will bring his private sector experience to the Commerce Department's broad portfolio that includes technology, trade, intellectual property and exports, which will be crucial to expanding the economy and creating jobs."

The Natural Resources Defense Council, which Mr. Bryson helped found in the 1970s, called him "a visionary leader in promoting a clean environment and a strong economy. He has compiled an exemplary record in public service and in business that underscores the strong linkage between economic and environmental progress."

I would also like to ask unanimous consent to place into the record an editorial from today's *Los Angeles Times* titled "Commerce Department nominee deserves the job."

Mr. Bryson's unique background will serve him well as he works with President Obama to create jobs.

I applaud the President for choosing such a well-qualified, experienced individual to be Commerce Secretary and I look forward to his confirmation.

Editorial—*Los Angeles Times*, June 21, 2011

"COMMERCE DEPARTMENT NOMINEE DESERVES THE JOB"

Within a rational political universe, John Bryson's credentials would bring him confirmation by acclamation.

John Bryson's nomination to be President Obama's next secretary of Commerce has been met with the predictable combination of delusion and obstructionism that characterizes the modern confirmation process. Some Senate Republicans vow to hold him hostage to the passage of several long-sought free-trade agreements; others insist they will reject him based on his presumed politics, which they wish were more like theirs. None has advanced an argument worthy of defeating this nomination, and though sensible people will withhold a final judgment until after Bryson

is questioned, his credentials are encouraging, as are the endorsements of those who know him.

Bryson is a familiar figure in Los Angeles. A longtime chairman and chief executive of Southern California Edison and Edison International, he is a pillar of the region's business community, admired by the Chamber of Commerce and his fellow executives. He also was a founder of the Natural Resources Defense Council, where his work earned him respect and appreciation from California's environmental movement. He's been president of the California Public Utilities Commission and even served as a director of Boeing, dipping his toe into the Nation's military-industrial complex. He is thus the rare nominee to present himself to Congress with endorsements from the Chamber, military suppliers and the Nation's leading environmental organizations.

Within a rational political universe, that would entitle Bryson to confirmation by acclamation. But zealots are suspicious. His critics question his support for regulation to address climate change and see his NRDC leadership (more than three decades ago) as evidence that he's a "job killer" and an "environmental extremist" rather than a job promoter as the Commerce secretary traditionally is. Never mind that Bryson's record is one of both serious business development and responsible environmental stewardship.

Then there's the issue of the free-trade agreements. Yes, Obama has moved too slowly to forward the South Korea, Colombia and Panama trade pacts that will create jobs and expand the reach of American business. And yes, Obama's labor allies are principally to blame for obstructing those pacts. But those objections are irrelevant to Bryson's nomination and shouldn't be used as an excuse to hold it up.

Many Republicans undoubtedly would prefer a nominee who championed drilling as the answer to America's energy needs or who countenanced their anti-scientific challenge to global warming. They have their chance: Elect Sarah Palin. In the meantime, Obama deserves a Cabinet secretary of impeccable credentials and broad support. Bryson has a chance to prove that he's all of that at the hearings that begin Tuesday. Republicans owe him the opportunity.

The CHAIRMAN. Thank you, Senator Boxer, very much for your excellent words, and your statement is entered into the record.

Senator BOXER. Thank you.

The CHAIRMAN. We now return to the regular order and Senator Kerry.

**STATEMENT OF HON. JOHN F. KERRY,
U.S. SENATOR FROM MASSACHUSETTS**

Senator KERRY. Thank you very much, Mr. Chairman. Mr. Chairman, I ask unanimous consent that a full opening text be placed in the record as if read in full.

The CHAIRMAN. It'll happen.

Senator KERRY. And I ask that a letter to you, Mr. Chairman, from Congressman Tierney and Congressman Frank, regarding Massachusetts fisheries, be made part of the record.

The CHAIRMAN. That will also happen.

[The information referred to follows:]

CONGRESS OF THE UNITED STATES
Washington, DC, June 16, 2011

Senator John D. Rockefeller IV,
Chairman,
Senate Committee on Commerce, Science, and Transportation,
Washington, DC.

Dear Chairman Rockefeller:

As you may know, we have the privilege of representing coastal communities in Massachusetts, including Gloucester and New Bedford, among other cities and towns, which fishermen call home. Ensuring that our fishermen can continue to sustain their livelihood and provide for their families has been and continues to be a top priority of ours in Congress.

Unfortunately, the fishing community continues to endure numerous challenges and economic hardships. For years, we, along with many of our colleagues, have at-

tempted to work with the Department of Commerce in support of our fishermen, but our efforts have been met with repeated opposition and resistance.

We are aware that, as part of the Senate's confirmation process, Mr. John Bryson, the President's nominee to be the Secretary of Commerce, will soon appear before the Committee on Commerce, Science, and Transportation ("the Committee"). At Mr. Bryson's hearing, we believe he must commit to bringing a fresh perspective and renewed sense of fairness to issues impacting the fishing community.

Specifically, there are several important areas warranting Mr. Bryson's on-the-record opinion that we wanted to respectfully bring to your attention:

Authority to Raise Catch Limits

On October 14, 2010, Commerce Secretary Locke sent a letter in which he wrote that he was "prepared to issue an emergency regulation to revise catch limits whenever there is both sufficient economic and sound scientific data to support such an emergency regulation."¹

Subsequently, Massachusetts Governor Deval Patrick and the Massachusetts Division of Marine Fisheries, in coordination with the Massachusetts School of Marine Science and Technology through the Massachusetts Marine Fisheries Institute, issued "A Report on Economic and Scientific Conditions in the Massachusetts Multi-species Groundfishery" on November 5, 2010.²

This report seemed to make clear that an economic emergency existed and required immediate action. The report demonstrated that there was scientific justification to "raise catch limits by at least 30 percent for most species, and significantly more for some, while still remaining within conservation bounds." Further, the analysis found "approximately \$19 million of foregone economic opportunities in Massachusetts due to catch limits that were set at the lowest end of allowable ranges."

We joined with some of our Massachusetts colleagues in the U.S. House of Representatives and the U.S. Senate in supporting Governor Patrick's request that the Secretary use his authority to act swiftly to issue emergency regulations revising catch limits to higher levels that remain consistent with conservation requirements.³

On January 7, 2011, the Secretary responded with a denial of this emergency request. We continue to be disappointed in this decision and believe the Secretary was provided sufficient scientific and economic data to support an increase in catch limits.

It is imperative for Mr. Bryson to clearly articulate the circumstances under which he would issue emergency regulations. Additionally, Mr. Bryson should state his interpretation of Magnuson-Stevens Fisheries and Conservation Management Act as it relates to how much economic data should factor into the implementation of the catch share program.

Economic Assessments

The above-mentioned report also provided data which showed the consolidation of the small boat fishing fleets. According to the data available at the time of the report, of the 385 Massachusetts groundfish boats that had joined sectors, 56 percent had not yet been active in the fishery in 2010. This compares to 46 percent inactive at the same time the previous year. Additionally, the report states, "a comparison of 2010 Annual Catch Entitlements (ACE) to actual landings in recent years shows as much as two thirds of fishing permits were allocated 50 percent–60 percent less than their 2007–2009 average annual harvest. This reduction in allocation represents lost revenue of \$21 million for this portion of permit holders."⁴

A Congressional request was made as a result of the data in the report, and the subsequent decision by the Secretary in January not to raise catch limits, for an Economic Development Assessment Team (heretofore referred to as "the Team") to be sent to areas up and down the coast to assess and evaluate all options to provide economic assistance to the fishing communities negatively impacted by the implementation of Amendment 16.⁵

¹Letter from U.S. Department of Commerce to Representative John Tierney. October 14, 2010.

²Massachusetts Marine Fisheries Institute: A Report on Economic and Scientific Conditions in the Massachusetts Multispecies Groundfishery. November 5, 2010.

³Letter to Secretary of Commerce from Senators Kerry and Brown and Representative Frank, Tierney and Delahunt. November 18, 2010.

⁴Massachusetts Marine Fisheries Institute: A Report on Economic and Scientific Conditions in the Massachusetts Multispecies Groundfishery. November 5, 2010.

⁵Letter from Representatives Tierney, Markey, Frank and Keating to Secretary Gary Locke. March 17, 2011.

As a result, the Secretary deployed the Team to Gloucester on May 2–4, 2011 and New Bedford on May 4–6, 2011. To date, there has not been any recommendation or analysis completed on the information and data collected at these meetings.

Given the importance of addressing the economic impact of the catch share system, it is critical for Mr. Bryson to commit to completing an analysis, with directive action, of the Team's findings and agree to making such information available to Congress and the public.

Along these lines, Mr. Bryson should affirm that he will continue to provide financial assistance to negatively affected fishing communities. Specifically, we believe Mr. Bryson should outline specific action he plans to initiate to provide fishermen relief from the burden of onerous regulation, similar to that which Secretary Locke provided in the two-year delay of the requirement for the fishing industry to cover the costs of dockside monitoring.

Asset Forfeiture Fund

As you may be aware, the Department of Commerce Inspector General (IG) has issued several reports in the past 18 months that have highlighted common abuses and misuses of power, as well as rampant mismanagement throughout the agency, specifically in the Office of Law Enforcement (OLE) in the Northeast region. Specifically, the IG found “weak internal controls” over NOAA's Asset Forfeiture Fund (AFF).

Due to the lack of information available to the IG during the initial investigation, the agency conducted a follow-up report specifically on the AFF, issued on July 1, 2010 entitled, “Review of NOAA Fisheries Enforcement Asset Forfeiture Fund.” The findings showed that “NOAA has administered the AFF in a manner that is neither transparent nor conducive to accountability, thus rendering it susceptible to both error and abuse.”⁶

While NOAA has taken some corrective action to address the findings of the report as it relates to the AFF, one important thing remains unclear: how NOAA has used the funds since the report was released. In August of 2010, NOAA confirmed a balance of 58.4 million in the AFF in March of 2011, NOAA initiated an audit to be completed this month.

NOAA has stated that “ensuring that the monies in the AFF are properly accounted and used is essential to carrying out our duties as responsible managers of Federal dollars.”⁷

Mr. Bryson should commit to continuing to audit the AFF to ensure the monies collected through fines issued by OLE officials are used appropriately and inform Congress and the public on the results of the audit.

Further, under current NOAA policy, there is authority to use monies from the AFF for the following purposes, among others: rewards of not less than 20 percent of the penalty collected or \$20,000, whichever is the lesser amount, for information related to enforcement actions; expenditures directly related to specific investigations and enforcement proceedings; and reimbursement to other Federal or State agencies for enforcement related services provided pursuant to an agreement entered into with NOAA.⁸

Mr. Bryson should indicate if he agrees or disagrees that allowing the use of AFF monies for this purpose could be a conflict of interest between OLE officials and the fishing industry that the OLE regulates. Mr. Bryson should make clear whether he believes the current NOAA AFF policy appropriately addresses the errors and abuses cited in the aforementioned July IG report.

Finally, for the first time, NOAA included the AFF in its annual budget submission for Fiscal Year 2012. Presumably, this will be a practice that will continue in the years ahead. However, Mr. Bryson should confirm that this kind of disclosure related to the AFF will be included in future budgets.

⁶Memorandum from U.S. Department of Commerce Office of Inspector General to Dr. Jane Lubchenco: Review of NOAA Fisheries Enforcement Asset Forfeiture Fund. July 1, 2010.

⁷Memorandum from Dr. Jane Lubchenco: Corrective Actions to Restore the Financial Integrity of the National Marine Fisheries Service (NMFS) Enforcement Asset Forfeiture Fund. July 8, 2010.

⁸National Oceanic and Atmospheric Administration Policy on Prohibited and Approved Uses of the Asset Forfeiture Fund. March 16, 2011.

Improving Relationships with Fishermen

As the initial IG report made clear, there is a “highly-charged regulatory climate and dysfunctional relationship between NOAA and the fishing industry—particularly in the Northeast Region.”⁹

One of the IG’s recommendations included in this report was for NOAA to consider “reestablishing the position of ombudsman to serve as an interface with the regulated industry; such a position was created in May 1999, but has remained vacant for several years and it is unclear within NOAA whether the position still exists.”

NOAA has not yet reestablished this position. The agency did, however, establish an e-hotline for enforcement related complaints in September 2010 and named former commercial fisherman, Don Frei, to the newly created position of Compliance Assistance Liaison to continue outreach to the industry in the Northeast in April 2011.

Mr. Bryson should indicate if he agrees or disagrees with the IG that NOAA needs an ombudsman to ensure that NOAA leadership regularly addresses and provides input to enforcement priorities and strategies with regional management, including formal reporting protocols. Similarly, Mr. Bryson should make clear his intentions on whether the e-hotline and Compliance Assistance Liaison position will continue. Mr. Bryson should be willing to commit to increasing personnel dedicated to directly addressing fishermen’s concerns, if that is deemed necessary.

Conclusion

If he is confirmed, Mr. Bryson will be the Secretary of Commerce at a critically important time for the fishing industry. As we trust the foregoing evidences, there is sufficient interest in these issues and a commitment to ensuring fishermen and their families are treated with fairness. Congress must expect the same of the Secretary of Commerce.

We appreciate the challenges with appropriately scrutinizing Presidential nominations, and we hope you will consider the above-mentioned items as a respectful contribution to the Committee’s constitutional process.

Thank you for your attention and please do not hesitate to contact us should you wish to discuss the aforementioned issues further.

Sincerely,

JOHN F. TIERNEY,
Member of Congress.
BARNEY FRANK,
Member of Congress.

Senator KERRY. Thank you, Mr. Chairman.

Mr. Chairman, let me follow quickly on the words that were really well-articulated by Senator Feinstein and Senator Boxer. And I say this partly to my colleagues on the other side of the aisle. I hope they will really take note of the extraordinary qualifications that this nominee brings to the table. One colleague mentioned the fact that he had been the CEO of a major regulated company. I would respectfully submit that I think my colleagues are going to find that this is a bold and creative capitalist who has served on more boards of directorships of major companies of diverse nature than all of the members of this committee put together. And I think that he brings a rare level of business expertise at a time when we obviously all know we have to create jobs and we have to change the dynamic in this country.

I think my colleagues are going to find that both nominees have a strong sense of how to do that. And the Commerce Department is going to be a critical player with respect to transportation, infrastructure, research, and the information economy, a lot of the technology issues that we need to deal with. I think we’ve got a terrific

⁹U.S. Department of Commerce Office of Inspector General: National Oceanic and Atmospheric Administration Review of NOAA A Fisheries Enforcement Programs and Operations. Final Report No. DIG 19887. January 2010.

spokesperson who is coming to us at a point in life where this is the last thing this person needs to do but is doing it because the President has asked him to and because he understands the challenge and he appreciates the challenge.

I think we're fortunate to get somebody to be willing to go through this unbelievably convoluted and demanding ethics process that requires you to sell stock no matter what level it may be of loss, and to put yourself through an incredible sort of hiatus, simply to serve.

And I think my colleagues are going to find that nominee Bryson comes to the table as a bold advocate of America's interests and of the free-market system. And I look forward to his proving that to you in the course of this testimony.

I just would say quickly that every Secretary, and I mentioned this to him when he came to visit with me, has always been surprised to find that they have a navy and they have interests on the ocean as significant as the Commerce Department has.

And I just want to say to the Secretary, this is a tricky time in the regulation of our fishing industry and an opportunity for the Department of Commerce, NOAA, and our fishing communities to come together again. And I think that's going to be a real challenge of leadership for a new Secretary.

Federal regulations have forced a lot of the fishermen out of the business, pushed many more to the brink. And many of our Massachusetts fishermen are doing all they can just to keep a roof over their head and feed their families, and they're very frustrated that the Department of Commerce has made a series of decisions that seem—I'm saying "seem"—to make it more difficult.

So I look forward to working with the Secretary-Designate, and I hope he will be rapidly put in place. The country needs a Commerce Secretary as rapidly as possible to address these many concerns about our economy, including relations with China, intellectual property, trade, and other issues.

And so, Mr. Chairman, I am strongly, obviously, supportive of this nomination. I hope my colleagues will discover what a lot of us feel very strongly about.

[The prepared statement of Senator Kerry follows:]

PREPARED STATEMENT OF HON. JOHN F. KERRY,
U.S. SENATOR FROM MASSACHUSETTS

Secretary Designate Bryson, thank you for your testimony and for your willingness to serve our Nation. If you are confirmed as the next Secretary, you will be taking the helm of the Department at a critical and difficult moment—where the decisions we make—or fail to make—on new energy sources, on infrastructure, technology, and research, will play an enormous role in our leadership role in the global economy.

You would serve as Secretary at a particularly vital time for the Information Economy. As you know, today, there is no privacy law for general commerce. Data collectors alone are setting the rules.

But due to the good work of your predecessor, the Department of Commerce is in the process of becoming a leading voice in the Administration and the Nation on privacy issues. To date, the agency has taken a balanced and thoughtful approach to the challenge. In its December report is sought to meet both the need for baseline standards of protection for individuals as well as flexibility for firms in ways to meet those baseline standards and I hope you will continue to make this a priority.

We have tried to complement that work here in the Senate. In S. 799, the Commercial Privacy Bill of Rights, Senator McCain and I, along with Senator Klobuchar

propose rules based on fair information practice principles for all collectors of information. Those basic principles include the idea that regardless of the technology or method used to track Americans, they should know when they are being tracked, why, and how long that information will be used. They should also know with whom that information will be shared and be able to reject or accept those practices. And they need legal protections if that respect is not granted to them or if those terms are violated.

The Commercial Privacy Bill of Rights would allow for flexibility for industry in complying with these principles by establishing voluntary safe harbor programs to allow companies to design their own privacy programs free from prescriptive regulation if their programs reach equal levels of protection.

The Department of Commerce also plays an important role in our trade policy. And as you know, I am an outspoken supporter of ways to increase access to foreign markets for our exporters. I also appreciate the effort and time the Administration has taken to get our partners to modify their laws and regulations on labor and other issues to ensure that the pending trade agreements result in fair competition.

But it is important that we put trade and increased competition into its proper context. These agreements will not in and of themselves lead to greater prosperity. They will just give us a better chance to compete. We still need to invest in the building blocks of competitiveness—the skills of our workers, the infrastructure of the country, and our ability to bring, retain, and reward the best brightest in the world.

I am deeply concerned about rising inequality at home and in the world. And as we move forward with more open markets and competition, we have to recognize that the wealth created has to result in improved lives for everyone, not just those at the very top.

I also want to highlight an issue at the Department which has never been more relevant or difficult for Massachusetts than these last years. It is a difficult situation which Secretary Locke inherited, and which you also would be inheriting if confirmed. Federal regulations to limit fishing have forced some fishermen out of business and pushed many more to the brink. Too many Massachusetts fishermen are doing all they can every day to keep a roof over their head and to feed their families. They are extremely frustrated about Federal decisions that seem to make it more difficult for them to take care of their families.

I am extremely concerned about the rapid consolidation of the fleet under the new management system. I have worked with our fishermen to make the case that there must be more flexibility for our fishermen when implementing Federal fishing regulations.

Charges by our fishermen of overzealous and intimidating tactics by the Department of Commerce personnel have been confirmed both by the Inspector General and by the Special Master. This has led to NOAA personnel being reassigned and 11 fishermen and businesses having their fines rescinded by Secretary Locke. There continues to be a justified distrust of the Federal Government by the fishermen—this relationship must be repaired and trust must be restored.

In March, I met with Secretary Locke and Administrator Lubchenco to ask them to take action on a number of important issues facing our fishermen. As a result of my meeting with Secretary Locke and Administrator Lubchenco and prior efforts on the enforcement issue, the Department of Commerce and NOAA has taken the critical first steps to help resolve the outstanding issues facing our fishermen.

First, the Department of Commerce opened up an additional appeal window to allow fishermen and businesses who wish to come forward to submit a complaint to the Special Master set up after the Inspector General investigation. Commerce Secretary Locke asked Economic Development Administration (EDA) to visit fishing communities in New England and is now working in partnership with other Federal agencies to identify new and existing resources to help support local communities and economic development in the region. NOAA made changes to ensure our fishermen will never again have to deal with intimidation from Federal regulators. NOAA made important personnel changes and instituted a new penalty policy that will ensure that New England fishermen are not subject to unfair fines that are higher than other regions. NOAA also conducted an audit of the Asset Forfeiture Fund and eliminated a significant portion of the Fund's historical uses, such as the purchase of vehicles and vessels and the payment of travel expenses not related to investigations.

While this is a good start, there is still much more work to be done.

I continue to believe we must provide additional flexibility within the catch levels for choke stocks. I recently sent a letter with the Massachusetts Congressional delegation asking to an increase in the percentage of unmet quota that can be rolled

over into the next fishing season. This request remains outstanding and it is critical that this request is addressed as quickly as possible.

We continue to await the full analysis of the economic and social data from the first fishing year 2011. I spoke with Administrator Lubchenco last week about the need to release this information as quickly as possible. I want to work with you to ensure we have the necessary targeted, sector-level economic and social data so we can fully understand the changes happening in our fishery and make appropriate adjustments to the regulations to reduce the damage they have caused our fishermen and, at the same time, continue to build a sustainable fishery in the future.

Finally, over the past generation, we have been unable to reach agreement between the fishing industry and NOAA scientists on the stock levels for Massachusetts fisheries. I would like us to begin an important dialog to see if we can find a process to have our fishermen and NOAA scientists work together to obtain an accurate assessment of our fish stocks that everyone can agree upon. I know this will not be easily done, but further cooperation and collaboration on the science will go a long way to help bridge this gap. I have continually pushed for additional funding for cooperative research and the need to better incorporate this data when setting catch limits. It is critical that we continue to fund these initiatives and find ways to increase fishermen participation in stock assessments.

We need to work together not only to make sure our fishermen survive these difficult times—we need to make sure there are future generations of fishermen who will be a vital part of our economic future: We can only reach this goal by developing a sustainable fishery that will be healthy and profitable for generations to come.

This is an opportunity to repair a relationship between the Department of Commerce, NOAA, and our fishing communities that has been very badly strained in these last years. The success of the fishery and its long and storied history can be ensured with your cooperation and flexibility.

I would particularly like to hear your thoughts on how we might do that going forward.

The CHAIRMAN. Thank you, Senator Kerry, very much for your statement. Clear and thoughtful.

Senator Isakson?

**STATEMENT OF HON. JOHNNY ISAKSON,
U.S. SENATOR FROM GEORGIA**

Senator ISAKSON. Well, thank you, Mr. Chairman.

And I had the privilege of meeting with Mr. Bryson. We share a mutual friend, David Radcliffe, who told me yesterday at breakfast to tell you hello again, so I want to be sure and send that along.

And I hear the admonition loud and clear, but I'm tempted to make one other admonition to all of us. It's a two-way street. These nominees deserve civility, a thorough examination, but expedited treatment. But American business deserves the same thing. And this gentleman was on the Board of Directors of the Boeing Company, which right now is in the middle of a major controversy brought about by the NLRB when it's about to open a plant that's going to hire 1,000 Americans.

So I think it's fair to ask civility on both sides of the issue of jobs, civility on the part of the regulators to not continually be on the backs of employers at a time we don't need it, and civility on our part to expedite the movement of America to more trade, more commerce, and more prosperity. So I'll agree to the first part, Senator, if you'll agree to the second part.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Isakson. It sounds like a fair deal.

Senator Udall is not here.
Senator Toomey?

**STATEMENT OF HON. PATRICK J. TOOMEY,
U.S. SENATOR FROM PENNSYLVANIA**

Senator TOOMEY. Thank you, Mr. Chairman. And thank you for conducting this hearing today.

Mr. Bryson and Mr. Garcia, I want to thank you for your willingness to serve in these important posts. I, too, had a chance to meet with Mr. Bryson recently, and I enjoyed our conversation very much.

Let me just suggest, Mr. Chairman, that central to the mission of the Commerce Department, it seems to me, is the vitally important job of encouraging economic growth and job creation. In my view, there are a number of ways that a Commerce Secretary can help advance that cause. Two of them, which I'd like to touch on briefly, are first to be a champion of the free enterprise system and to recognize that for it to really flourish and thrive, and create the kind of jobs that our economy is capable of creating, that system needs to be sensibly but lightly regulated in a fashion in which the costs of the regulations don't outweigh the benefits of those regulations.

And the second thing that I would certainly hope to see in a Commerce Secretary would be a champion of trade. I think the United States could and should be the world's leading voice for expanding trade opportunities, expanding the opportunities for terrific American companies in the service and manufacturing sectors to export our products all around the world.

So those are two opportunities that, it seems to me, fall squarely in the lap of the Secretary of Commerce. I will say, I think this Administration and this Congress in recent years has not done very well on either front. I think we have had excessive regulations, too many, too onerous. And I look forward to hearing the nominee's thoughts on some of those regulations.

And I think that we've seen a reluctance to pursue a pro-trade agenda, one that would help encourage economic growth and job creation. And so I look forward to hearing the nominee's thoughts on how we can re-engage, re-accelerate the process of America leading in a global expansion of trade.

So again, I want to thank you for holding this hearing, Mr. Chairman. And I thank the candidates for their willingness to serve, and I look forward to their comments.

The CHAIRMAN. Thank you, Senator Toomey.
Senator Blunt?

**STATEMENT OF HON. ROY BLUNT,
U.S. SENATOR FROM MISSOURI**

Senator BLUNT. Thank you. Thank you, Mr. Chairman.

And I'd like to echo Senator Toomey's comments about trade and look forward to hearing Mr. Bryson's observations about what we do to trade. I had a chance to see the U.S. Trade Representative, Ron Kirk the other night, and I'm hopeful, as he is, that we'll see the current trade agreements come to the Congress, and we'll see

an active effort to be sure that we open trade opportunities to Americans.

Mr. Bryson, Mr. Chairman, as we all know, has a long history in the energy sector. He ran an energy company. He chaired the California Public Service Commission.

And certainly, more American energy is the fastest path to more American jobs. There's no question that the energy sector can be—knowledge of that sector can be a huge plus in a job that needs to focus on private sector job creation.

In 2009, Mr. Bryson gave a speech to the United Nations, where he said that the way California uses energy is, the word he used was a model, for the rest of the nation to follow. I am concerned about that.

California's electricity rates rose 35 percent between 1970 and 2005. By comparison, the rest of the nation's utility rates increased by 4 percent during that same period of time. And in just the first 4 months of this year, California experienced the fastest rate of companies relocating outside the state. In fact, there were 69 different companies that moved out of California. One of the reasons, I think, were bad energy policies.

I want to bring this up in the context that of the thing that I think can be the most important in creating jobs, and, certainly, Mr. Bryson knows a lot about. I think he has seen a model that I wouldn't want to see as the model for the country.

I just really don't see why things that create massive increases in energy prices do anything to help grow jobs in our country. If there is one surefire way to create jobs in the country, and, again, something that the Department of Commerce should be helping to do every day, it's more American energy, meaning more American jobs.

This is the job in our government that needs to be the most focused on how we create private sector jobs and how we create an atmosphere where the private sector is willing to take the risk that is necessary to create opportunity for others. And if there's not a cheerleader for that in the Department of Commerce, in the Secretary's role, there's probably not a cheerleader for that very much needed focus in the Federal Government.

And I look forward to a chance to listen to the testimony and ask some questions, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Blunt.
Senator Klobuchar?

**STATEMENT OF HON. AMY KLOBUCHAR,
U.S. SENATOR FROM MINNESOTA**

Senator KLOBUCHAR. Thank you very much, Mr. Chairman.

It was good to meet with you, Mr. Bryson, and I'm impressed by your background. What we talked about in my office, I would emphasize again.

I think that we're going to lose a real opportunity in this country if we don't pursue a competitive agenda for America. I think the Commerce Secretary is in a unique position to do that. Some of it is under your agency, but some of it simply should come with the need to have someone that brings agencies together and focuses on moving our country forward competitively.

And the things we talked about, workforce readiness so that we have people actually getting degrees and getting trained in jobs where we need them. Obviously, that's working with the Department of Education, but when they can't find a welder in southern Minnesota to work at agriculture equipment places that are trying to find highly paid employees, we've got a problem.

Small and medium-sized businesses with exports, helping them to have the kind of resources that they need, which can be very small investment for the big gain they get.

Working with the State Department so that our large businesses are better able to get contracts and get assistance from our agencies and other countries, in order to follow through on the President's pledge to double exports.

The rules and regulations, which some of my colleagues have referenced—we no longer are competing in a vacuum in this country. Our businesses are competing against companies in other countries that have different rules and regulations. And I think the Commerce Secretary can be a force to push for changes in that area.

And then one specific area that the Commerce Department has direct jurisdiction over, where I think it's not just the low-hanging fruit but the fruit rolling around on the ground, and that is tourism. We talked about the fact that we have lost 16 percent of the international tourism business in this country. It's not about the economy, as the leading Republican on our committee, Senator Blunt, knows. This is about the delays we are seeing in our embassies across the world, India, China. India takes 93 days average to get a visa from Shanghai to come to America, and it takes only 10 days to go to Great Britain. That is a big problem. Every one of these foreign tourists spends an average of \$5,000 when they come to this country.

And we have been pushing this. Every point we've lost is 165,000 jobs. So if we want to meet the President's goal and do something about jobs in this country, I'd start right on day one saying let's work to change this visa policy, not to change the security, just to get the consulate officers out there that generate \$1 million in fees a person. I don't think their salaries are that high.

So those are things that we can do that make fiscal sense for this country. And a lot of this isn't about passing bills. It's just about trying as hard as we can to make this country competitive with what we have.

So I want to thank you. I know you've achieved a lot in your past jobs. And I know it's a lot that I've laid out here, but I truly believe that's where we need to go as a country with the Commerce Secretary. Thank you.

The CHAIRMAN. Thank you, Senator.

Senator Heller is not here.

Senator Snowe?

Senator SNOWE. Senator DeMint, did you—

The CHAIRMAN. Look, I don't want to make a big deal about this, but I have Senator Snowe and then Senator DeMint. Can you two make peace or do you want to yield each other?

Senator SNOWE. No, I wanted him to go.

The CHAIRMAN. Oh, you want him to go.

Senator DeMint?

**STATEMENT OF HON. JIM DEMINT,
U.S. SENATOR FROM SOUTH CAROLINA**

Senator DEMINT. Thank you, Senator. Thank you, Mr. Chairman. I'll try to be brief.

Thank you, Mr. Bryson, for coming by my office. I appreciate your willingness to serve, and I really have no question about your credentials. My question is about the environment you'll be working in, and whether or not you'll have the courage to speak up against some of the most anti-business policies I think we've ever seen in our country. And this is not political rhetoric.

As Senator Isakson already mentioned, the National Labor Relations Board, the Acting General Counsel, who has been appointed by Obama to be the General Counsel, has accused you as well as Bill Daley, Chief of Staff for the President, of breaking the law. Somehow, we have to resolve this duplicity.

They're forcing a major American company to spend millions of dollars and put thousands of jobs on hold for what is an unprecedented violation of a company's ability to locate an expansion facility anywhere they want. The President is not speaking up. My question is, will you?

I was on a \$600 million oil drilling rig in the Gulf. It's brand new. It's been sitting there 6 months. Thousands of jobs are on hold. It costs \$600,000 a day to have it wait. But it's just because they can't get a permit. And that may not be under Commerce, but we need a commerce advocate in our country.

As Senator Toomey has said, there's a lot of rhetoric about free trade, but when the agreements are supposed to be sent over, they're not sent over, and one excuse after another.

Thousands of jobs, probably billions of dollars of investment, are being sidetracked in the telecommunications business, because the FCC is violating Congressional direction and court orders to move ahead and regulate the Internet in a way that makes investors hesitant.

With the EPA, it's just amazing, hearing from the companies that come through my office, whether they're in manufacturing or utilities or mining, the absurd regulations and gray areas that are being created.

Of course, banks are afraid to make loans, because of the regulators hanging over their shoulders.

I can keep going all day. I would not be Commerce Secretary in an Administration that has taken all these positions. I appreciate you being willing to do it. But we've got a lot of challenges.

And you said that the American people expect us to do more with less. The Commerce Department has been doing less with more. They've increased their budget. Last year, they increased it over the year before, this year over last year.

So you've got a lot of challenges, and we need good commerce in America. One thing the Constitution says is that the Federal Government should facilitate interstate commerce. The last thing we're doing right now at the Federal level is encouraging commerce.

So, I appreciate your willingness to serve and be here today. You've got great credentials. I'm not sure about the people you'll be working with.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator DeMint.
Senator Snowe?

**STATEMENT OF HON. OLYMPIA J. SNOWE,
U.S. SENATOR FROM MAINE**

Senator SNOWE. Thank you, Mr. Chairman, and thank you for holding this hearing.

Obviously, these are two important positions, and I, too, had the opportunity and the pleasure yesterday to meet with the nominee, Mr. Bryson, as Secretary of Commerce. And of course, I know Mr. Garcia from his days as Assistant Secretary of Commerce for Oceans and Atmosphere, as well as deputy administrator to NOAA.

There's no doubt Mr. Bryson has a very extensive background in the corporate arena, as CEO of Edison International. And I do believe that he has an appreciation for the paramount value of job creation in the private sector, and that it's absolutely a prerequisite to our economic well-being, and central to revitalizing the economic conditions of this country.

I also want to echo what Senator Kerry said with respect to Mr. Garcia, because I think it's important for the fisheries industry to make sure that we're not imposing burdensome regulations on an industry that is struggling to survive. We have to design regulations that are important to the fishing communities and to the fishermen as well as to rebuilding the species. These are not mutually exclusive endeavors.

Mr. Chairman, if I look at the mission of the Commerce Department, which of course is to create jobs, to have sustainable development, and to improve the standard of living for Americans, the problem at this point in time, is the mission of the Commerce Department is juxtaposed with the reality of our overall economy. The Commerce Department in the Secretary has to be a loud megaphone, has to be a dynamic thinker, has to be speaking for the people of this country and on behalf of the private sector on how we're going to rejuvenate the economic conditions of this country.

We hear a lot of talk about job creation. We've been hearing it endlessly. And yet, we have no job creation. I mean, I think the statistics describing America's economy today are pretty grim and particularly for the 22 to 25 million people unemployed. It's one of the deepest and longest recessions we've had, certainly since World War II, the longest since 1982, which was at that time the longest.

But then we saw the job growth last month, a paltry 54,000 jobs. And then we look at the condition of the housing market; there's a slump. We see the unemployed being unemployed for longer periods of time. The total number of employed is down to 58 percent, the lowest level in 30 years. So we talk about jobs, but nothing is happening.

And two and a half years ago, when I was considering your predecessor, talking about the issues of the Commerce Department, there are so many disparate organizations within that department. They need to be coordinated and centralized. I mentioned to you, Mr. Bryson, we need to have a maximum focus on job creation and job potential. And we have to do that. And that's not happening within the Commerce Department with the billions of dollars, with the thousands of employees, and we haven't been able to use that

department to be singularly focused through the one prism of job creation, which we desperately need now.

So I hope, Mr. Bryson, that you will give voice and bring your initiatives as a key member of the President's economic team at a time that I've never seen worse than this economy that were experiencing here today, and more than anything else, worse for the people in this country who are struggling and the businesses who are struggling to survive, because of the onerous and punitive regulations, which, frankly, I think many of the agencies have engaged in a regulatory rampage. That has to cease and desist as well.

But the bottom line is, we need to have a Commerce Department being that singular weapon on behalf of the private sector to create the kind of jobs and to have the fair and level playing field in the trade arena as well.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Snowe, very much. Senator Begich?

**STATEMENT OF HON. MARK BEGICH,
U.S. SENATOR FROM ALASKA**

Senator BEGICH. Mr. Bryson, Mr. Garcia, do you still want this job after—[Laughter.]

Senator BEGICH. Let me just say, I really didn't have opening comments, so I'll just be very brief and just say that, one, I'm looking forward to working with both of you, but especially from Alaska's perspective, as we're very proud of our fisheries. They're sustainable, they're growing, they're a huge export opportunity for this country through wise management and cooperation and work with the Commerce Department over the years. Even though we've had our friction at times with NOAA and the Commerce Department, we have created an incredible opportunity in a sense of fisheries, from our perspective in Alaska, which now manages 60 percent of the live catch of this country.

And so we think we have examples and expertise that can be shared around the country on how to maximize the fishery opportunities that are not as great in certain parts of the country.

Also, Alaska is a net exporter, \$4.2 billion in commodities last year, up almost 30 percent. I think in a lot of ways—I'll brag—that we're doing it right. We understand commerce. We're international. In a lot of ways, we get forgotten over far north. People think we're down by California, and we have to remind them, no, we're not. But at the same time, we survive on our own, in a lot of ways, in the sense of our export opportunities. We trade with China, Japan, Asia, Europe; you name it, we do it.

And a lot of the work you do and you will do as dealing with fisheries, tourism, export, international trade, that's a lot of Alaska. And so we're anxious to work with you.

And, you know, I try not to be a doom-and-gloomer, to be very frank with you. Two years ago, this economy was a disaster—a disaster. And not overnight. It was a decade of neglect by many people throughout Congress and throughout this country. We're better today than we were 2 years ago, but it's still a fragile economy. I think that's the stress point that everyone has here, that jobs are the most important piece of the equation.

So how you take it to the next level is going to be critical, because we have created jobs. They may not be as robust as we would like, but we're at the great recession, which is the equivalent, if we missed a couple notches in 2009, it would've been the Great Depression. But a couple things we did in this Congress helped save us and keep us on an even keel.

But now we have to take it to the next level, and I think that's what we're looking for and looking toward you to do, as well as others of the President's economic Cabinet, because with your work, it's going to help to determine a long-term future.

But I'm not a doom-and-gloomer. I just gave you statistics from a state that understands what it's like to not just work within our borders but globally and understands that there is business beyond our borders, and sometimes you have to just bite the bullet and get moving. So that's what we're looking for.

And I think your business experience is going to be critical, and I think you have a bureaucratic system over there. You have to change part of the culture to understand that it isn't just "no." It is, what do we do to make something better or move it forward. That's what I think you're going to be able to add.

And, Mr. Garcia, same thing. The work you did on the oil spill commission, as you know, we've had some conversations. And I think the opportunity is enormous in Alaska. And NOAA plays a role in making sure that we move forward in oil and gas exploration in the Arctic and what can be done there in the most environmentally sound way, but recognize that it's a critical piece of our commerce in the future.

So one, I hope after this hearing you still want to do the jobs. Two, get in there with a very positive attitude, because where we are today and where we were 2 years ago is day and night. But we have a lot of opportunity ahead of us, and you're going to be part of that equation. So thank you very much.

The CHAIRMAN. Thank you, Senator Begich.

We now come back to Senator Pryor. You escaped, but you returned.

**STATEMENT OF HON. MARK PRYOR,
U.S. SENATOR FROM ARKANSAS**

Senator PRYOR. Thank you, Mr. Chairman. Thank you for this hearing.

And I want to thank you for your public service and your willingness to serve, and I look forward to hearing from the witness. Thank you.

The CHAIRMAN. That was it. All right. And it's exactly as you fulsomely stated.

We then turn to Senator Warner.

**STATEMENT OF HON. MARK WARNER,
U.S. SENATOR FROM VIRGINIA**

Senator WARNER. Thank you, Mr. Chairman. I'll try to you Senator Pryor's statement as an example.

We didn't get a chance to visit before, Mr. Bryson. I appreciate you reaching out to me.

I'm somewhere between Senator Snowe and Senator Begich, glass half-empty, half-full. But man, oh man, we do have a slew of challenges. And, you know, I agree with a lot of my Republican colleagues.

We've got to push this trade agenda; 95 percent of all the customers are abroad. We've got to have that voice to get back the \$2.5 trillion just sitting on balance sheets, to give them the confidence to get reinvested in our country.

I personally believe the single biggest job creation entity, bigger than anything the Commerce Department or, candidly, anything we will do here, would be putting a long-term debt and deficit plan in place. It would probably do more to get that money off the sidelines than anything else.

And I want to thank you and Mr. Garcia both for being willing to serve. I've got to tell you, I've done a lot of work with the Chamber and the BRT. They don't give endorsements lightly. And for an Administration that has been criticized, not always appropriately, of not having enough people with senior business experience at the top level, my hope is that you will get this job and be that advocate for the private sector, be that advocate for the business community, recognize that we've got to read a balance sheet and get our nation's balance sheet back in order, and get this job engine that has improved kicked into high gear.

So I look forward to supporting your nomination.

The CHAIRMAN. Thank you, Senator Warner.

And now Senator Boozman.

**STATEMENT OF HON. JOHN BOOZMAN,
U.S. SENATOR FROM ARKANSAS**

Senator BOOZMAN. Mr. Chairman, I will follow in the footsteps of my senior Senator from Arkansas and go ahead and yield back my time, in the interests of getting the rest of the hearing going.

I look forward to the testimony of the witnesses. Thank you.

The CHAIRMAN. Extraordinary eloquence, Senator. We appreciate that.

[Laughter.]

The CHAIRMAN. Senator Thune?

**STATEMENT OF HON. JOHN THUNE,
U.S. SENATOR FROM SOUTH DAKOTA**

Senator THUNE. Thank you, Mr. Chairman and Senator Hutchison, for holding today's hearing to consider these two nominations.

It's been nearly a year since Treasury Secretary Tim Geithner published an op-ed in the *New York Times* entitled, "Welcome to the Recovery," an op-ed that in retrospect seems to have been a flawed prediction, to put it mildly. The economy should be roaring back by now, but instead it's still struggling, and the unemployment rate is 9.1 percent as of June 3.

Virtually every economic indicator out there has weakened over the past few months. And has already been noted by some of my colleagues, excessive corporate taxes and needless regulations are preventing the creation of jobs and severely limiting economic growth in the country.

With all of these problems, it is important—critically important, actually—that we have a Secretary of Commerce who has a strong record of accomplishment in creating jobs in the private sector, someone who knows the challenges and how to overcome the barriers the private sector faces in creating jobs.

And there are aspects of Mr. Bryson's record that I think are very impressive in some circles. There are some concerns I have, including his support for the job-killing cap-and-trade proposal. And so, you know, I'm anxious to hear from him about the steps that he thinks we need to be taking to get the country back on track and get the economy back on track.

But I will just simply echo what my colleagues have said, Mr. Chairman, and reiterate, the Commerce Secretary has got to be a strong advocate for trade and open markets for America's farmers and manufacturers. And I signed a letter, along with I think most of my Republican colleagues, to Majority Leader Reid back in March, stating that we would withhold support for trade-related nominees, including Commerce Secretary, until the Administration submits the pending free trade agreements to Congress for their consideration.

It's been over 3 months since that letter was sent, and the Administration has still not committed to a specific timetable for implementing those agreements. And I believe I speak for a good number of those in our caucus when I say that it's going to be difficult for Republicans to support Mr. Bryson's nomination until the Administration submits those free trade agreements. They are vital, vital to farmers and ranchers in my state, and vital to our economic recovery.

And just to put a fine point on that, in 2008, the market share that we had in Colombia of corn, wheat, and soybeans was 81 percent. Today, our market share of corn, wheat, and soybeans in Colombia is 27 percent. That's how much market share we have lost. The vacuum has been filled by other countries who continue to sign bilateral trade agreements with these three countries.

And so I can't emphasize that enough, Mr. Chairman. And I appreciate both Mr. Bryson and Mr. Garcia being here today and look forward to hearing their testimony and the steps they intend to get the economy back on track.

Thank you.

The CHAIRMAN. Thank you, Senator Thune.

I want to call on Senator Rubio, but I understand that you'll pass.

**STATEMENT OF HON. MARCO RUBIO,
U.S. SENATOR FROM FLORIDA**

Senator RUBIO. Yes, let's hear from the nominees.

The CHAIRMAN. That's a statement, it's in the record. Thank you.

And now we will come to that moment.

Mr. Bryson and Mr. Garcia, if you would come forward and have a seat. You'll get water, which will be replenished.

And we look forward to your testimony, which is obviously very important. And we will start with you, Mr. Bryson, when you are ready.

**STATEMENT OF JOHN BRYSON, SECRETARY OF COMMERCE-
DESIGNATE, DEPARTMENT OF COMMERCE**

Mr. BRYSON. Chairman Rockefeller, it is a great honor to come before this committee. Please let me know if you can't hear me.

So it is an honor to come before the Committee today, and I want to extend my personal thanks to you, Senator Rockefeller, and also to the distinguished Ranking Member Hutchison, for the time and attention you've given to this nomination.

I've got these pages here, and I'm going to try to drop some of them, because time's short, and I want to give you the time. Your time is more important than mine, so I'm going to skip some of these things.

I'm going to start with this. It was a pleasure to talk with all of you that I was able to talk with. And I want to underscore that my conversations with the Republicans were very thoughtful conversations—I appreciate that greatly—as well as my conversations with the Democratic members.

You've all talked about jobs, and I'm going to freelance here, but the reason President Obama reached out to me was my business experience and his absolute clarity about what he wants from me as the Secretary of Commerce, and that is taking what I can bring, drawing on this experience to enhance and be a rooster for and a great assister of American business, and with it, the jobs that follow from that.

The private sector is where the jobs will be developed, need to be developed. We have to address that.

I wanted to introduce my wife, Louise. I'm going to simply say, I got lucky. I got lucky.

The CHAIRMAN. We welcome her.

Mr. BRYSON. Way back there. She's had a very full business career of her own, as well as raised with me—but she's been the star—our four wonderful daughters.

But I was going to say a little about my parents. It's only because when you get a little older, as I am, you look back and you say who made the biggest difference in shaping your life, and it was my parents. And I won't even go through that. But if you looked at what was there, they had hard lives, and they came to have such values—a model for me.

My dad, for example, was the first ever in his family ever to conceive of going to college, and he was forced to do it. And because he grew up in Appalachia, so he didn't have those opportunities.

The CHAIRMAN. Actually, Mr. Bryson, we are having a little trouble hearing you.

Mr. BRYSON. Oh, I'm sorry. If I—

The CHAIRMAN. There you go.

Mr. BRYSON. Is that better?

The CHAIRMAN. Yes.

Mr. BRYSON. I'll try to lean forward and do that.

In any event, so let's just say that with the influence of my parents, strong work ethic was an enormous value, and then, ultimately, getting a good education was an enormous value. And that's what I grew up with, and that's what I tried to live to. So I did go through, you know, it was unexpected, but a series of steps

that took me out of Oregon, and ultimately to Stanford University and to Yale Law School.

And some of you know that there, at the end of that time, a few of us gathered together and wanted to see if there was anything we could do with the skills we were developing, and we founded the Natural Resources Defense Council, and there've been many comments about that.

You know, a lot has happened in the 40 years since that took place. I practiced law. I headed two state independent agencies, the California Water Resources Board, the California Utilities Commission, both at times of extreme crisis, the two driest consecutive water years in California history, for example. So I had the opportunity to address those things.

But in 1984, I joined Southern California Edison. And Southern California Edison later became Edison International in the years that I was leading it, a great utility, a great utility in California. But we were able to then take initiatives that, among other things, increased jobs by creating an independent power company and moving around the United States. And then we took opportunities.

And some of you raised the question about private markets. And the private markets were the opportunity for us because we were able to do this independent power in a number of countries around the world, where we were either the first to do any privatization of any kind for state-owned systems or go parallel with one or maybe two others in the early steps to privatization in, for example, the United Kingdom. But we were the first in Australia; we were the first in New Zealand and some other places.

And I had the great good fortune of serving for nearly 18 years as the CEO of Edison International and Southern California Edison. And I measured—I should say “we,” because it was very much us working together—but we measured every day our success by the quality with which we served our customers and the values we were able to provide to our shareholders.

And again, in Southern California Edison, Senator Feinstein referred to this, we had what was an extraordinary crisis in this energy crisis in California in 2001, 2002. And that was certainly the single toughest challenge I've ever addressed. And we stood together as a company, and we kept the lights on under impossible circumstances for at least 2 years. And in the end, I think we were proud, across the employed, with what we were able to do without going into bankruptcy, as others did.

I think you know that I've served on quite a number of boards. I won't even touch on that. Let me just say, I also am proud of being now with both Disney and Boeing—Boeing, the longest serving director; Disney, among the longest-serving directors. And I've learned so much from that.

Now what I'm facing is a challenge—the one so many of you described and so well—that is tougher—tougher—than any I've challenged—that I've faced in the past. But I feel like I've learned something from input in tough spots previously.

We all know the U.S. is in recovery, but it's too slow, too exclusive, too uncertain, not creating enough jobs. It's just terrible.

I think that with my business background, and what the President has said to me, I get to draw on this background. I can reach

out not just to the base of the Commerce Department, of which I'm proud to have the opportunity, but reach and have some particular voice in Cabinet meetings and working with other departments and agencies.

I want to say something more. A number of you touched on regulations, so I thought of having been a job creator in my business, but I want to say I learned a lot about regulation. And businesses in our country are too often stifled by absolutely unnecessary, cumbersome regulation and unnecessary regulatory costs and delays. And if confirmed, I will be a voice in the Administration for simplifying regulation and eliminating those where the costs of the regulation exceed the benefits.

And I'm going to touch only barely on the Commerce Department, because you know, so many of you, so much about the Commerce Department. Jobs, how are we going to do it? It's hard work. I mean, you can't just generalize. You have to get out, and you have to get out into segments and parts of the economy and parts of the country, manufacturing, services, very broadly.

I count the export opportunity incredibly important. The Commerce Department leads there. As Secretary, I would lead that. We've got to continue to go to this at least doubling, at least doubling, of the exports we do in the country by this year 2015 target that the President set out.

We've also got to do more. We also need to pledge to hold our trading partners accountable, so that they're living up to their commitments. And at the same time, we have to work abroad, as well as in the U.S., so we need to take initiatives to bring investors to invest in the U.S. and expand jobs here and work with the U.S. companies to stay here, not to leave our country the way so many have.

There's no magic in doing this. I think it's mainly hard work in reaching out and talking to people and creating a sense of an open climate and a condition in which they can invest and make a business a success.

So I'm going to stop there and just say I'm proud of the fact that I'm not a stranger to handling very difficult conditions. I'm really truly excited to work with American businesses large and small, to work with this committee, and to work with the American people in rebuilding our economy to create jobs. And if I'm given the privilege of becoming America's next Commerce Secretary, that will be my relentless focus.

Thank you very much.

[The prepared statement and biographical information of Mr. Bryson follow:]

PREPARED STATEMENT OF JOHN BRYSON, SECRETARY OF COMMERCE-DESIGNATE,
DEPARTMENT OF COMMERCE

Chairman Rockefeller, Ranking Member Hutchison, and members of this Committee, it is a profound honor to come before you today as the President's nominee to serve as Secretary of the Department of Commerce. The American people would feel better about our government if they got to see the bi-partisan way you lead this Committee. If granted the privilege of serving, it is an example I intend to emulate.

I know we all share the same hopes for our nation—stronger job growth fueled by businesses that are more innovative at home and more competitive abroad. It is my firm belief that the Commerce Department can help realize those hopes.

Let me also offer my sincere gratitude to President Obama for his confidence in me. I know I have big shoes to fill. Secretary Locke's work to help more U.S. companies sell their goods abroad and his effort to get Commerce's many bureaus to function as one team have made a difference for our country.

I'd like to introduce the members of this Committee to my wife, Louise, who joins me today. Not only a wonderful mother to our four daughters and a wonderful wife, Louise enjoyed her own substantial business career.

I would also briefly mention our four daughters, who could not be here today: Jane, Julia, Ruth, and Kathleen.

We are part of a family, like so many others, that is the living embodiment of the American Dream. My father was born near Bryson City, in Appalachian North Carolina, but as a boy, the family moved west to become homesteaders in far eastern Montana. After proving up the nearly impenetrable land, however, the Montana drought of the 1920s forced another move, this time to northwestern Washington State. There my dad's father worked briefly as a logger, only to injure himself after just a short time on the job.

The family barely survived the injury to its breadwinner, but my dad, following high school, had the great good fortune of being given the opportunity to be the first in our family to attend college. He was sent off to the University of Washington by a man he worked for, with jobs already set up to allow him to pay his way.

After school and a stint in the FBI during World War II, he joined my maternal grandfather in the Oregon lumber industry, and then, realizing his fondest dream, was able to buy a farm where my parents lived for 40 years.

Trying in some small way to emulate his work ethic helped me get to where I am today.

But my mom's example of service has been an abiding influence too. She taught as a volunteer in Portland's inner city schools, and even though she was many miles from the movement's epicenter, gave to civil rights groups fighting for justice in their communities.

When I graduated law school 42 years ago, my trajectory was clear: first, a federal clerkship, then on to a law firm and billable hours.

Perhaps it wasn't surprising that I joined with friends instead to found the Natural Resources Defense Council.

This was before President Nixon signed the Clean Air and Clean Water Acts, a time when Americans could turn on their TVs to see an iconic river on fire. Families in many cities were struggling with dirty water and unclean air. We believe our effort to found the NRDC was a way for us help make our country a little healthier. For me, it was also a chance to follow the example my mother had set.

I'm proud of helping found the NRDC. But a lot has happened in the nearly four decades since I practiced law. I headed two independent state agencies: California's Water Resources Control Board and its utilities commission. I became a member in a major law firm and then moved into business.

And in 1990, after 6 years principally as its CFO, I was made the Chairman and CEO of one of the country's largest utilities—Southern California Edison and its parent company, Edison International—sometimes being opposed—and even sued—by the very group I had helped found two decades earlier.

For nearly 18 years at Edison, I measured every day by our success in serving our customers and shareholders.

And it was my experience there that ultimately led to invitations to serve on the boards of other businesses, including Disney and Boeing, where I am the longest-serving board member.

At Edison and in my public sector leadership roles, I confronted crisis. On the water board, it was an unprecedented drought. At the utilities commission, the energy crunch of 1979 and 1980. And at Edison, it was the California energy crisis of 2002.

At each stop, I learned from the remarkable people with whom I've worked.

They taught me the value of teamwork and the imperatives of innovation, creative thinking and relentless hard work in weathering crises.

If confirmed, I will take these lessons with me to the Commerce Department, and I hope to instill in the organization a commitment to not only work as one team across the agency's varied bureaus but with other Federal agencies, too. Where there's overlapping responsibilities, working better together will help us advance the President's goals and the Congress' objectives.

The American people expect their government to do more with less, keeping its shoulder to the wheel of a recovery too many are still waiting to feel in their own lives.

Doing that means creating more jobs. And that's what President Obama has asked me to focus on.

In my decades of experience in business, I have created jobs. And I understand what it means to meet payroll.

Importantly, I also know what it means to be regulated from a business perspective. If confirmed, I'm committed to helping simplify regulations that are difficult to understand, eliminate regulations that are ineffective and speed up regulatory decisions so American businesses can have the certainty they need.

It's a cause, like corporate tax reform, that will make America more competitive. It's a cause I know the President cares about. So when I come to him with what I'm hearing from the U.S. business community, I know I'll have an eager audience.

The perspective I've gained in the private sector is a big reason President Obama asked me to serve and brings value to the voice I will have within the Cabinet.

It will also help me reach out to America's business community. They're on the economic front lines every day and, if confirmed, the President expects me to be able to tell him about the challenges they're facing so that this Administration does everything it reasonably can to make it easier for them to create jobs and grow.

If confirmed, it will be an honor to lead an agency that does so much to further that goal.

Commerce can help Americans and American businesses out-innovate the world by fostering entrepreneurship, innovation and scientific discovery; expand exports by promoting American products and enforcing our trade laws; predict climate patterns to give businesses more certainty; ensure the health of our oceans which are the lifeblood of so many communities, and; foster economic development through innovative strategies.

The sheer breadth of what Commerce does is staggering—from NTIA's effort to connect more Americans to high-speed Internet to NIST's role developing standards for the Smart Grid, and from EDA's focus on promoting innovation clusters to the work the Bureau of Industry and Security does keeping sensitive technology out of the hands of those who would seek to do America harm.

It's an agency that works every day to make America more competitive.

At Commerce, I believe that starts with the Department's leadership role in the President's National Export Initiative.

President Obama has set a goal of doubling U.S. exports by the end of 2014 to tap into the 95 percent of consumers who live outside our borders. Today, just 1 percent of American companies export, and, of those that do, nearly 60 percent export to just one market.

If confirmed, I pledge to build on the work begun by Secretary Locke to help more small and medium-sized businesses break into new markets—and hold our trading partners accountable so they're giving American companies' products the same access in their markets as we give theirs. Our success will mean more jobs and more business investment.

At the Patent and Trademark Office, significant progress has been made over the last 2 years. The unacceptably high patent backlog has been reduced by 10 percent, even as patent applications have risen by 5 percent. But there's still more to do.

If America is to take advantage of the extraordinary talent of its people, we have to remove the obstacles in front of its entrepreneurs and innovators—whether in a Federal lab or a neighborhood garage. The better able we are to speed ideas from the drawing board to the market, the more likely it is that America will be home to the well-paying jobs of the future.

Finally, improving the employment picture will also mean focusing on the vital work NOAA does in America's coastal communities and its world-class science and services, which support the very foundation of commerce.

I know I've touched on just a portion of what the Commerce Department does. I have much to learn about, and, should the Senate confirm my nomination, I pledge that, as Secretary, I will seek your advice and pursue a collaborative relationship that takes full advantage of your collective expertise.

The American people expect us to work together, especially during a time when so much is at stake and so much is uncertain.

I'm no stranger to handling difficult challenges in difficult times. I have the scars from the lessons learned to prove it.

I am truly excited for the opportunity to work with the employees of the Commerce Department, American businesses large and small, this Committee, and the American people in rebuilding our economy. If granted the privilege of becoming America's next Commerce Secretary, it will be my relentless and abiding charge. I will not rest while there's a lever left to throw.

Mr. Chairman, I thank you again for the opportunity to address your committee. I look forward to your questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): John Edgar Bryson.
2. Position to which nominated: Secretary of Commerce.
3. Date of Nomination: June 16, 2011.
4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.
Office: 2244 Walnut Grove Avenue, Rosemead, CA 91770.
5. Date and Place of Birth: July 24, 1943; New York, NY.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Louise Henry Bryson—Retired from Lifetime Entertainment Services. She previously served as Chair of KCET, the Los Angeles public television station, and currently serves on the Board of KPCC, a public radio station in the greater Los Angeles region. She is a Board member for a number of Capital Group investment funds. The Capital Group is an investment management firm headquartered in Los Angeles. Children: Julia Easton Bryson—35; Jane Templeton Bryson—31; Ruth Randall Bryson—28; Kathleen Louise Bryson—22.
7. List all college and graduate degrees. Provide year and school attended.

Yale Law School—J.D., 1966–1969.
Freie Universitaet Berlin—1965–1966.
Stanford University—B.A., 1961–1965.
8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Retired Chairman and Chief Executive Officer (consulting), Edison International, Rosemead, California—Aug—2008 to present.
Chairman and Chief Executive Officer, Edison International, Rosemead, California—Apr. 2008–July 2008.
Chairman, President and Chief Executive Officer, Edison International, Rosemead, California—Jan 2000–Apr. 2008.
Chairman of the Board, Southern California Edison, Rosemead, California—Jan. 2003–Jun. 2007.
Chairman and Chief Executive Officer, Edison International and Southern California Edison, Rosemead, California—Oct. 1990–Jan. 2000.
Executive Vice President & Chief Financial Officer, Southern California Edison, Rosemead, California—Jan. 1985–Oct. 1990.
Senior Vice President, Law and Finance, Southern California Edison, Rosemead, California—Feb. 1984–Dec. 1984.
Partner, Law Firm of Morrison & Foerster, San Francisco, California—Dec. 1982–Jan. 1984.
President, California Public Utilities Commission, San Francisco, California—Jan. 1979–Dec. 1982.
Chairman, California State Water Resources Control Board, Sacramento, California—Apr. 1976–Jan. 1979.
Visiting Faculty, Stanford Law School, Stanford, California—Jan. 1977–June 1979.
Attorney, Davies, Biggs, Strayer, Stoel & Boley, Portland, Oregon—Mar. 1975–Apr. 1976.
Co-Founder and Attorney, Natural Resources Defense Council, New York, NY—1970; Washington, D.C.—1970–1972; Palo Alto, CA—1972–1974—Sep. 1970–Dec. 1974.
Law Clerk, Judge Stanley A. Weigel, U.S. District Court, San Francisco, California—1969–1970.
Law Clerk, Wilmer Cutler and Pickering, Washington, D.C.—Summer 1968.
Intern, Agency for International Development Department of State, Washington, D.C.—Summer 1967.
Intern, Office of Congressman Edith Green Subcommittee on Higher Education, U.S. House of Representatives, Washington, D.C.—Summer 1965.

9. Attach a copy of your resume. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.

Member, California Commission for Jobs & Economic Growth National Petroleum Council, 2004–2008.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational or other institution within the last 5 years.

Advisory Board, Deutsche Bank Americas, 2008 to present.

Advisory Board, Ostendo Technologies, Inc., 2009 to present.

Board of Directors, The Boeing Company, 1995 to present.

Board of Directors, The Walt Disney Co., 2000 to present.

Board of Directors, The California Endowment, 2003 to present.

Board of Directors, W. M. Keck Foundation, 1996 to present.

Board of Directors, Council on Foreign Relations, 1992–2002; Member, 1985 to present.

Board of Directors, Public Policy Institute of California, 2008 to present; Board Chair, 2011 to present.

Board of Directors, Coda Automotive, Inc., 2008 to present.

Board of Directors and Chairman of the Board, BrightSource Energy, 2010–2011.

Board of Trustees, California Institute of Technology (Caltech), 2005 to present; Chairman, Audit and Risk Management Committee, 2010–2011.

Board of Overseers, Keck School of Medicine of the University of Southern California, 1999 to present; Chairman of the Board, 2010 to present.

Board of Overseers, The Huntington, 1991 to present.

Member, Pacific Council on International Policy, 1994 to present; Co-Chair, 2003 to present; Founding Co-Chair, 1994.

Senior Advisor, Kohlberg Kravis Roberts & Co. (KKR), 2008 to present.

Senior Advisor, Global Solar Center, 2009 to present.

Board of Directors, Electric Power Research Institute (EPRI), 2007–2008; Advisory Board, Palo Alto, CA, 1980–1982.

Board of Directors, Western Asset Income Fund, 1986–2006 (Formerly Pacific American Income Shares, Inc.)

Board of Directors, Edison Electric Institute, 1991–2002; Executive Committee, 1993–2008; Electric Transportation Task Force—Chair, 2007–2008; Chairman, 1998–1999; First Vice Chairman, 1997–1998; Second Vice Chairman, 1996–1997.

Board of Directors, Electric Drive Transportation Association (EDTA), 2008–2010; Co-Chair, 2009–2010.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Member, Council on Foreign Relations, 1985 to present.

Member, The Brookings Institution, 1994 to present.

Member, Pacific Council on International Policy, 1994 to present.

Member, National Commission on Energy Policy (NCEP), April 2007–December 2010.

Member, Atlantik-Briicke Int'l Advisory Council, March 2008 to present.

Member, American Academy of Arts & Sciences, April 2011 to present.

Member, U.N. Secretary-General's Advisory Group on Energy and Climate Change (AGECC), 2009–2010.

Member, United States Business Roundtable, 1994–2002.

Member, The Business Council, 1993–2001.

Member, California Business Roundtable, 1992–2008.
 Member, California Commission for Jobs and Economic Growth, 2004–2008.
 Member, E7 (an organization of eight largest electric utilities in G7 countries; Edison International represented the U.S.), 1992–2001.
 Member, Town Hall of California, 1992–2008.
 Member, National Transportation Policy Project (NTPP), November 2007–2009.
 Member, Sunset Club, 1989–2011—(men’s club that meets periodically).
 Member, Los Angeles Country Club, 1991 to present.
 Member, The Valley Club of Montecito, 2005 to present.
 Member, California Club, 1990 to present

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt.

Yes, I was appointed to the California Public Utilities Commission and the California State Water Resources Control Board. No outstanding debt exists as a result of these appointments.

14. Itemize all political contributions to any individual campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

10/2010—Brown for Governor 2010—\$2,000
 10/2010—Friends of Jane Harman—\$2,000
 9/2010—John Spratt for Congress—\$500
 7/2010—Brown for Governor 2010—\$1,000
 5/2010—Hector de la Torre for Insurance Commissioner—\$1,000
 11/2009—Hector de la Torre for Insurance Commissioner—\$500
 8/2009—Feinstein for Senate—\$2,400
 6/2009—Jerry Brown 2010—\$2,000
 6/2009—Re-elect Mayor Foster 2010—\$500
 6/2008—Jerry Brown 2010—\$2,000
 4/2008—Baucus for Senate—\$2,300
 6/2007—Friends of Jane Harman—\$1,000
 6/2007—Citizens for Arlen Specter—\$1,000
 6/2007—Friends of Jane Harman—\$1,000 (Louise Bryson)
 5/2007—Friends of Bob Foster—\$650
 5/2007—Feinstein for Senate—\$1,000
 4/2007—Powerpac of the Edison Electric Institute—\$2,000
 4/2006—A Lot of People Support Jeff Bingaman—\$2,000
 2/2006—Westly for Governor 2006—\$2,500
 9/2005—Friends of Bob Foster—\$600
 9/2005—Friends of Bob Foster—\$600 (Louise Bryson)
 8/2005—Friends of Dick Lugar—\$2,000
 5/2005—Feinstein for Senate—\$1,000
 12/2004—Brown for Attorney General—\$5,000
 9/2004—Mike Machado for State Senate—\$500
 6/2004—Hagel for Senate—\$1,000
 6/2004—Bob Hertzberg for a Great L.A.—\$1,000
 2/2004—Feinstein for Senate—\$1,000
 4/2003—Feinstein for Senate—\$2,000
 9/2002—Steve Westly for Controller—\$1,000
 12/2001—Bill Leonard for Board of Equalization—\$500
 10/2000—Feinstein 2000—\$1,000 (Louise Bryson)

NOTE: In addition, I made monthly contributions to the Edison InternationalPAC in amounts less than the threshold, approximately \$416.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

American Academy of Arts and Sciences (elected in 4/2011) Yale Law School—Award of Merit (2010).

Stanford University Exchange Scholarship—1 year as a student at the Freie University of Berlin (1965–66).

College scholarship from Brown Shoe Company (aka Buster Brown Shoes); ten students from around the U.S. selected (1961).

Recognition as among the outstanding graduates of Cleveland High School in Portland, OR (2010).

16. Please list each book, article, column, or publication you have authored, individually or with others.

Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

I have given numerous speeches. There are some in which I did not retain copies nor do I have records of the dates or places. Below are those I am aware of:

Climate One. “Least Cost Paths to Climate Reduction”. San Francisco, CA. March 26, 2010.

International Energy Conference. “Integrated Solutions”. New York, NY. September 1, 2009.

California Institute of Technology. Talk on Movement Toward Carbon-Free Energy. Pasadena, CA. May 27, 2009.

University of California-Berkeley Energy Symposium. Talk on Reducing Carbon Emissions. Berkeley, California. March 2010.

CERA Week Conference. “California Energy Market: The Misleading Calm, Before the Storm”. February 12, 2004.

Stanford University. Talk on How California Sees the World. Palo Alto, CA. January 12, 2007.

American Bar Association. Personal Reflections on Surviving California’s Energy Crisis. Los Angeles, CA. November 4, 2005.

Pacific Pension Institute Winter Roundtable. Laguna Beach, CA. February 25, 2011.

Australia-U.S. Dialogue on Sustainable Cities. Hollywood, CA. January 19, 2011.

Effectiveness of Energy-Saving Policy Workshop. Beijing, China. May 7, 2010.

Sustainability Conference at Pomona College. Pomona, CA. January 28, 2009.

Electric Drive Transportation Association Conference. Washington, D.C. December 4, 2008.

Woods/Precourt Affiliate Conference at Stanford University. Palo Alto, CA. September 12, 2008.

Lehman Bros. Council on Climate Change/Science/Technology/Solutions Panel. New York, NY. December 7, 2007.

National Association of Regulatory Utility Commissioners CEO Roundtable on Energy Efficiency. Anaheim, CA. November 14, 2007.

Morgan Stanley Global Electricity & Energy Conference. New York, NY. March 16, 2006.

Commencement Remarks for UCLA Anderson School of Management. Los Angeles, CA. June 6, 2006.

Additionally, I have given many speeches on Southern California Edison and Edison International and its work. At the company’s annual meetings each year from 1991 to 2008, I provided the shareholders a summary update on the company-its challenges, achievements, its outstanding employees, and some thoughts about future prospects. In addition, I provided a written letter to shareholders in each of the company’s Annual Reports during the years I was the Chairman and CEO. I have also authored a limited number of editorials which I have done my best to identify through a review of my personal files and searches of publicly available electronic data bases. I have located the following:

“California must prepare for climate change,” *Sacramento Bee*, November 21, 2010, Opinion, Pg. E1, written with William K. Reilly.

"From the sandbox to the laboratory," *San Gabriel Valley Tribune*, Opinion, July 20, 2009.

"California Missed a Big Opportunity," *Wall Street Journal*, April 11, 2001, Page 19.

"The state needs to act now to prevent blackouts later." *Los Angeles Times*, December 20, 2000, Opinion, Page 9.

"Keeping our eyes on the ball," *Utility Business*, March 2000, Pg. 16.

"Let us now praise what government does well," *The Record* (Bergen County, NJ), December 3, 1997, Opinion, Pg. L09, written with John Adams.

"Skepticism about government is healthy, cynicism is not," *Plain Dealer* (Cleveland, Ohio), December 2, 1997, Opinion, Pg. 9B, written with John Adams.

"Perspective on government; Give credit for what works—a lot; Environment and energy sectors find agreement on the success of clean water and clean air legislation," *Los Angeles Times*, November 26, 1997, Opinion, Page 7, written with John Adams.

"Perspectives on schools; Wiring our children for success; now last in computers per pupil, California must outfit its youth to compete in tomorrow's electronic world," *Los Angeles Times*, January 22, 1997, Opinion, Page 9, written with Wendy Lazarus.

"Electric technologies and electric transportation," *Public Utilities Fortnightly*, May 15, 1992, Vol. 129 No. 10, Pg. 76.

"Survival strategies for the '90s," *Public Utilities Fortnightly*, September 1, 1991, Vol. 128 No. 5, Pg. 11.

"Change is in the wind—and the sun, energy, conservation and new technologies will burgeon," *Los Angeles Times*, May 19, 1991, Opinion, Page 5.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

Testimony before the House Committee on Energy and Commerce subcommittee on Energy and Air Quality on Facilitating the Transition to a Smart Electric Grid, May 3, 2007.

Testimony before the Senate Committee on Energy and Natural Resources on Interim Limitations on the Cost of Electric Energy, March 15, 2007.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

These remain difficult times for the American people, even as the economy has improved over the last 2 years. More than 2 million new jobs have been created since early 2010, but far too many Americans continue to be unable to find work.

I believe what Americans expect from their leaders is for them to wake up every morning with a sense of urgency about this crisis. They're depending on this Administration and this Congress to figure out what to do about the uncertainty and fear that so many hard-working Americans and their families are experiencing.

That's why I'm passionate about this opportunity. The Commerce Department is a catalyst for job creation and economic growth, and if given the privilege of serving as Secretary, that will be my highest priority.

As the Chairman and Chief Executive Officer of Southern California Edison and its parent company, Edison International, I had the opportunity to lead, for nearly 18 years, a large electricity company that created and added jobs and supplied millions of people with electric power. I guided Edison through the California electricity crisis, a time of great uncertainty and diminished resources. That experience may have relevance now during a time when government is similarly being asked to do more with less.

If confirmed, I would hope to bring to the role of Secretary of Commerce my experiences from earlier stages of my career, when I was asked to take the lead roles at California independent state agencies. At the California State Water Resources Control Board and then at the California Public Utilities Commission, I faced first an historic drought and the oil price spikes and shortages of 1979–81. With the out-standing employees of those agencies, we found paths, and where needed, made changes, to work those crises through to sound resolutions.

It is vital to constantly maintain deep engagement with America's business community—the large businesses and small businesses, the long term businesses and the start-up entrepreneurs—as our economy pushes forward to turn the corner. I've

been fortunate to serve on the boards of some of America's most successful companies, such as Disney and Boeing, as well as smaller, more entrepreneurial companies. I understand the concerns of businesses large and small, from diverse sectors of the economy, and hope to reach out to America's business leaders based on that understanding and mutual respect. They're on the economic front lines every day, and what American businesses are experiencing on the ground can serve as an early warning about bumps in the road toward our economic recovery. If confirmed, I will work hard to help relay their proposals for enhancing their businesses and building their work forces to the President.

The ideas that will continue to fuel this recovery will come from the private sector, and if confirmed as Commerce Secretary, it will be my job to communicate what I hear to President Obama, his key advisors and the members of this Committee, and to be an advocate for business in White House policy discussions.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

If confirmed, it would be my responsibility to ensure that the Commerce Department is well-managed. Continuous improvement was a key value and goal in my work at Edison. While I would have much to learn about the management, depth, performance levels and accounting controls at the Department, if confirmed, I would have an intense focus on further improvement—both within the agency and in how we work with other departments.

Prior to becoming Edison's CEO, I served as its Chief Financial Officer. Most recently, until just last week, I served as the Chairman of the Audit and Risk Management Committee at the California Institute of Technology. In these roles, I was responsible ensuring that these large, complex organizations were adhering to strict accounting standards and internal controls. If confirmed, I would hope to draw upon these experiences to ensure sound management practices at the Department of Commerce.

One important lesson I've taken with me is that while one cannot hope to be able to anticipate all of the challenges that lie ahead, if you build a culture focused on continuous improvement, you will approach those challenges from a position of strength. If confirmed, I would focus on continuing improvement in both capable management and in excellent accounting at Commerce.

At Edison, we came together throughout the company to get better at what we did and we strengthened our commitments to the values of integrity, excellence, respect, continuous improvement and teamwork. If confirmed, I would seek to build on what Secretary Locke has advanced at Commerce and would want to ensure that those values are built consistently there.

20. What do you believe to be the top three challenges facing the department/agency, and why?

The top challenge facing the Department is the top challenge facing the American people: There are too many people out of work and not enough jobs. As Commerce Secretary, it will be my top priority to do everything I can to help change that. It's the charge President Obama has given me. It's what the American people expect.

To that end, President Obama set a goal of doubling U.S. exports by 2015. Meeting that goal will mean millions of jobs for Americans. The good news is that we're on track, but there's still much more to do. Only 1 percent of U.S. businesses export and of those that do, nearly 60 percent export to just one market. I will use every lever at my disposal to improve those numbers and push the agency to think creatively about ways we can approach persistent challenges, and about new partnerships we can forge with the private sector to amplify our efforts.

As for the second major challenge facing the Department—the severe weather experienced by many parts of the country this spring is an urgent reminder of why it's critical we make sure NOAA's satellite program, especially the polar satellites, is fully funded and meeting internal deadlines to ensure continuity of service. What's at stake is the continued reliability of U.S. weather and climate forecasting. While important changes to NOAA's polar satellite program have been made over the last 2 years—changes that will improve management, control costs and increase the likelihood of a successful launch—there remains a risk that without consistent, high-quality oversight, there will be a significant gap in weather forecasting and information. We can't allow that to happen.

Finally, the U.S. Patent and Trademark Office's patent backlog must be reduced. Significant progress has been made over the last 2 years. It is my understanding that the backlog has been reduced by 10 percent even as patent applications have risen by 5 percent. But more must be done. If America is to take advantage of the extraordinary talent of its people, it has to remove the obstacles in front of its entre-

preneurs and the people working in its labs so that they can more efficiently translate their ideas into the products that improve our competitiveness and create jobs.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I will receive deferred compensation from Edison International Inc., The Boeing Company, Walt Disney Company, and Wells Fargo. I also participate in a 401(k) plan through Edison International, and, pursuant to prior agreement with the company, receive estate and executive financial planning (for a five-year period beginning August 2008), retiree medical (for me and my spouse for life), and life insurance.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain: No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been engaged for the purpose of directly or indirectly influencing the passage defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

As part of my official duties with Edison International, I took a consistent interest in the legislation that could bear on the company and its customers. Each year, the company took positions on a number of pieces of potential legislation, most but not all of that at the State level. Where the legislation was minor in its impact, I was not involved in formulating the company's position. When, as in the California Power Crisis of 2002, the effects on the company and our customers were major, I was involved with others on signing off on positions we should take. In the most important legislative issues, I met from time to time with legislators to explain our views. I never became a lobbyist at either the Federal or the state level. In general, most of the interaction with legislators and with legislative staff was carried out by our public affairs staff and by others retained as lobbyists by the company.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain.

A complaint was made against me to the California State Personnel Board regarding a hiring issue during my time with the Public Utilities Commission. It was found to have no merit.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

In various civil cases brought by plaintiffs against Southern California Edison and other corporations, I was named as a defendant along with others, including Directors and other senior officers, in initial filings. To my best recollection, in most of those cases, my name was later dropped. In a very few, I was deposed. I recall no civil cases that resulted in a negative judgment or verdict. I am aware of no litigation brought against me personally.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can do protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

RESUME OF JOHN E. BRYSON

Employment

Retired Chairman and Chief Executive Officer, Edison International, Rosemead, California, August 2008–Present

Chairman and Chief Executive Officer, Edison International, Rosemead, California, April 2008–July 2008

Chairman, President and Chief Executive Officer, Edison International, Rosemead, California, January 2000–April 2008

Chairman of the Board, Southern California Edison, Rosemead, California, Jan. 2003–June 2007

Chairman and Chief Executive Officer, Edison International and Southern California Edison, Rosemead, California, Oct. 1990–Jan. 2000

Executive Vice President and Chief Financial Officer, Southern California Edison, Rosemead, California, Jan. 1985–Oct. 1990

Senior Vice President, Law and Finance, Southern California Edison, Rosemead, California, Feb. 1984–Dec. 1984

Partner, Law Firm of Morrison & Foerster, San Francisco, California, Dec. 1982–Jan. 1984

President, California Public Utilities Commission, Jan 1979–Dec. 1982

The CPUC regulates electric, gas, water and telephone utilities and trucking, rail, rapid transit and inter-city bus services in California.

Chairman, California State Water Resources Control Board, Apr. 1976–Jan. 1979

The Board administers California's water pollution control and water rights programs.

Visiting Faculty, Stanford Law School, Stanford, California, Jan. 1977–June 1979

Attorney, Davies, Biggs, Strayer, Stoel & Boley, Portland, Oregon, March 1975–April 1976

Co-Founder and Attorney, Natural Resources Defense Council, Sept. 1970–December 1974

NRDC is a national environmental action group with offices in New York, Washington, D.C., Palo Alto and San Francisco, CA, and Beijing, China.

Law Clerk, Judge Stanley A. Weigel, U.S. District Court, San Francisco, California, 1969–1970

Education

Yale Law School—J.D., 1966–1969

Board of Editors, *Yale Law Journal*

Assistant in Instruction (1968–1969)

Freie Universitaet Berlin, 1965–1966

Recipient of Stanford Exchange Scholarship

Stanford University—B.A., 1961–1965

Graduation with Great Distinction

Phi Beta Kappa

President, Sophomore Class

Recipient of Woodrow Wilson Fellowship for Graduate Study

Current Associations

Advisory Board, Deutsche Bank Americas, October 2008–Present

Advisory Board, Ostendo Technologies, Inc., October 2009–Present

Board of Directors, The Boeing Company, 1995–Present

Board of Directors, The Walt Disney Co., 2000–Present

Board of Directors, The California Endowment, 2003–Present

Board of Directors, W. M. Keck Foundation, 1996–Present

Board of Directors, Council on Foreign Relations, 1992–2002; Member, 1985–Present

Board of Directors, Public Policy Institute of California, 2008–Present; Board Chair, 2011–Present

Board of Directors, Coda Automotive, Inc., 2008–Present

Board of Directors & Chairman of the Board, BrightSource Energy, 2010–2011

Board of Trustees, California Institute of Technology (Caltech), 2005–Present

Board of Overseers, Keck School of Medicine of the University of Southern California, 1999–Present; Chairman of the Board, 2010–Present

Board of Overseers, The Huntington, 1991–Present

Member, The Brookings Institution, 1994–Present

Member, Pacific Council on International Policy, 1994–Present; Co-Chair, 2003–Present; Founding Co-Chair, 1994

Member, National Commission on Energy Policy (NCEP), April 2007–December 2010

Member, Atlantik-Brücke Int'l Advisory Council, March 2008–Present

Senior Advisor, Kohlberg Kravis Roberts & Co. (KKR), August 2008–Present

Senior Advisor, Global Solar Center, 2009–Present

Member, American Academy of Arts & Sciences, April 2011–Present

Selected Past Associations

Board of Directors, Electric Power Research Institute (EPRI), 2007–2008; Advisory Board, Palo Alto, CA, 1980–1982

Board of Directors, Western Asset Income Fund, 1986–2006; (formerly Pacific American Income Shares, Inc.)

Board of Directors, Edison Electric Institute, 1991–2002; Executive Committee, 1993–2008; Chairman, 1998–1999; First Vice Chairman, 1997–1998; Second Vice Chairman, 1996–1997; Electric Transportation Task Force—Chair—2007–2008

Board of Directors, Electric Drive Transportation Association (EDTA), 2008–2010; Co-Chair, 2009–2010

Board of Directors, Times Mirror Company, 1991–2000

Board of Directors, H. F. Ahmanson & Co., 1997–1998

Board of Directors, Executive Service Corps of Southern California, 1991–1996

Board of Directors, First Interstate Bancorp, 1991–1996

Board of Directors, Association of Edison Illuminating Companies, 1993–1996

Board of Directors, World Resources Institute, Washington, D.C., 1982–1994

Board of Directors, Los Angeles Sports Council, 1991–1994

Board of Directors, Children NOW, 1992–1994

Board of Directors, Rebuild LA, 1992–1994

Board of Directors, The Planetary Society, 1992–1994
 Board of Directors, The Nature Conservancy, 1991–1993
 Board of Directors, Los Angeles County Museum of Art, 1991–1992
 Board of Directors, L.A. 84 Foundation, 1993–Present; (formerly Amateur Athletic Foundation of Los Angeles)
 Board of Trustees, Research to Prevent Blindness, 2002–2004
 Board of Trustees, Stanford University, 1991–2001
 Board of Trustees, The United States-Indonesia Society, 1994–2000
 Board of Trustees, Polytechnic School, 1990–1996
 Board of Trustees, California Environment Trust, 1986–1994
 Board of Trustees, Claremont Graduate School and University, Center, 1986–1992
 Board of Governors, The Music Center of Los Angeles County, 1990–1992
 Executive Committee, National Association of Regulatory Utility Commissioners, 1980–1982
 Advisory Board, UCLA School of Public Policy & Social Research, 1999–2003
 Advisory Committee, President’s Advisory Committee for Trade Policy and Negotiations, 1994–2001
 Advisory Council, California Environmental Technology Partnership, 1992–
 Chairman, Los Angeles/Pasadena Bid Committee, World Cup Soccer, 1994, 1991–1993
 Member, U.N. Secretary-General’s Advisory Group on Energy and Climate Change (AGECC), 2009–2010
 Member, United States Business Roundtable, 1994–2002
 Member, The Business Council, 1993–2001
 Member, California Business Roundtable, 1992–2008; Chairman, 1996–1998; Vice Chairman, 1993–1995
 Member, California Commission for Jobs and Economic Growth, 2004–2008
 Member, Governor’s Council of Economic Policy Advisors, 1993–1999
 Member, E7 (an organization of eight largest electric utilities in G7 countries; Edison International represented the U.S.), 1992–2001
 Member, Claremont University Center and Graduate School Board of Visitors, 1997–1998
 Member, California Council on Science and Technology, 1992–1995
 Member, The Conference Board, 1992–1994
 Member, National Commission on the Environment, 1991–1992
 Member, MALDEF, 1991–1992
 Member, Presidio Council, 1991–1992
 Member, California Water Rights Law Review Commission, 1997–1979
 Member, California Pollution Control Financing Authority, 1976–1979
 Member, Town Hall of California, 1992–2008
 Member, National Transportation Policy Project (NTPP), November 2007–2009

Personal

Birthday: July 24, 1943, New York, New York
 Family: Married to Louise Henry Bryson, four daughters
 Residence: San Marino, California

The CHAIRMAN. Thank you, Mr. Bryson.
 And before we go to questions, obviously we want to hear from Mr. Garcia.

STATEMENT OF TERRY GARCIA, DEPUTY SECRETARY OF COMMERCE-DESIGNATE, DEPARTMENT OF COMMERCE

Mr. GARCIA. Thank you, Mr. Chairman, Ranking Member Hutchison, and members of the Committee.

It’s an honor before me appear again before this committee in a confirmation hearing, this time as President Obama’s nominee to be the Deputy Secretary of the Department of Commerce. I’m grateful for the opportunity to serve.

I also want to thank the members and staff of this committee, who met with me over the last several weeks, and, if confirmed, I look forward to working with all the members of the Committee.

As my record demonstrates, I'm deeply committed to public service. I'm fortunate to have had the opportunity to serve our nation on several occasions over the last two decades.

Growing up in Jacksonville, Florida, my parents taught me the relevance and importance of public service. My dad served in the Navy, and for more than 35 years worked for the Postal Service. My mother was a civilian employee of the Navy and the Coast Guard for more than 30 years.

With me today, I'd like to introduce my wife, Mary, who has graciously consented to the pay cut I'm going to take, if confirmed.

[Laughter.]

Mr. GARCIA. And my two sons, Jake and Alex, and my mother, Marcelle Garcia.

Senator HUTCHISON. Would you raise your hands, please, so we can see you? Thank you.

Mr. GARCIA. Among other duties, the Deputy Secretary is the chief operating officer of the department. The Deputy Secretary also acts as the Secretary's principal adviser and surrogate in a department that has one of the broadest mandates of any Federal agency.

My varied public and private sector background, my managerial experience, and my familiarity with significant activities of the Department, affirmatively qualify me to carry out the duties and responsibilities of Deputy Secretary.

My experience has prepared me well and provided significant perspective for the management and policy challenges inherent in this position.

For the last 11 years, I have been Executive Vice President at National Geographic, a diversified media organization with worldwide operations and a clearly defined scientific and educational mission. My colleagues there and I have been required to navigate through a complex, rapidly changing, and highly competitive environment.

As Executive Vice President, I'm a member of the executive management committee and have broad management responsibilities and discretion, which require me to interact with all divisions of the company and oversee global programs that are essential to maintaining our competitive advantage. I've acquired extensive experience and relationships with national and international organizations, and government institutions and leaders. I've represented the organization negotiating business arrangements at the highest levels of government and business in more than 55 countries.

Before joining National Geographic, I was Assistant Secretary of Commerce for Oceans and Atmosphere, and 3 years prior to that, general counsel of NOAA. In those roles, I participated in all major policy decisions of the largest agency in Commerce and acquired a sound understanding of its programs and budgets.

Throughout those years, my actions were dictated by my firm belief that the government's environmental stewardship responsibilities can and must be harmonized with the private sector's legitimate need for certainty and sustainable economic growth.

Prior to entering government, I spent 15 years in the private sector representing corporate, banking, and other business interests as a partner in two major national law firms. I represented finan-

cial institutions in all aspects of their operations, including regulatory matters, and audit and financial management.

From this practice, I understand first-hand the impact of regulation, the burden it can place on businesses, and the need for a balanced approach in developing regulatory policy.

Most recently, as a commissioner on the National Commission on the BP Deepwater Horizon Oil Spill, I, along with my fellow commissioners, dealt with issues of utmost importance to the economy and our energy future. Our work was characterized by bipartisan collaboration and a firm dedication to uncovering the truth. I'm also pleased to tell you that we did something that very few Presidential commissions can lay claim to: our report was on time, unanimous, and under-budget.

If confirmed, I will have an unwavering commitment to the core mission of the Department of Commerce. That mission—to ensure and enhance economic opportunity for all Americans by helping create jobs and promoting innovation and long-term competitiveness of American companies—has never been more urgent, relevant, or central to our collective well-being. This includes working to double U.S. exports by 2015; ensuring that U.S. companies can compete on a level playing field around the world, and that our trade partners comply with the full terms of our trade agreements; supporting continued efforts to improve the Patent and Trademark Office's operations and services; and promoting wise stewardship of our natural resources.

Additionally, if confirmed, I will work to ensure implementation and maintenance of effective internal controls and procedures at the department. Effective management and accounting controls are critical to the success of any enterprise, but especially an organization as diverse and complex as the Department of Commerce.

I intend to work closely with the department's inspector general and will ensure that his office can effectively carry out its mission.

Mr. Chairman and members of the Committee, if confirmed as Deputy Secretary, I will work with you in a collaborative and constructive manner to develop practical solutions to our nation's economic and environmental problems.

Thank you again for this opportunity to appear before you and for your consideration of my nomination. I look forward to responding to any questions.

[The prepared statement and biographical information of Mr. Garcia follow:]

PREPARED STATEMENT OF TERRY GARCIA,
DEPUTY SECRETARY OF COMMERCE-DESIGNATE, DEPARTMENT OF COMMERCE

Thank you, Chairman Rockefeller, Ranking Member Hutchison, and members of the Committee. It is an honor for me to appear again in a confirmation hearing before this distinguished Committee, this time as President Obama's nominee to be Deputy Secretary of the U.S. Department of Commerce. I am grateful to the President for the opportunity to serve. If I am confirmed, I will look forward to confronting and addressing the challenges that will ensue. I thank the Members of this Committee and the members of your staff who were gracious enough to meet with me over the last several weeks and I anticipate meeting with the remaining Members of this Committee.

As my record demonstrates, I am deeply committed to public service. I am fortunate to have had the opportunity to serve our Nation on several occasions over the last two decades. I hope to add to that record. Growing up in Jacksonville, Florida,

my parents taught me the relevance and importance of public service. My dad served in the Navy and for more than 35 years worked for the Postal Service. My mother was a civilian employee of the Navy and the Coast Guard for 30 years. With me today are my wife, Mary, my two sons, Jake and Alex and my mother, Marcelle Garcia.

Among other duties, the Deputy Secretary is the Chief Operating Officer of the Department of Commerce, overseeing more than 36,000 employees and a FY 2011 budget of \$ 7.9 billion. The Deputy Secretary also acts as the Secretary's principal advisor and surrogate in a Department that has one of the broadest mandates of any Federal agency.

My varied private and public sector background, my substantial managerial experience and my particular familiarity with significant activities of the Department of Commerce affirmatively qualify me, I believe, to carry out the duties and responsibilities of the Office of the Deputy Secretary. My experience as Executive Vice President at National Geographic Society (NGS), as Assistant Secretary of Commerce for Oceans and Atmosphere and NOAA General Counsel, and as a partner in two major national law firms have prepared me well and provided significant perspective for the management and policy challenges inherent in this position.

For the last 11 years, I have been Executive Vice President at National Geographic, a diversified media organization with world-wide operations and clearly defined and essential scientific and educational missions. My colleagues there and I have been required to navigate through a complex, rapidly changing and highly competitive environment. As is the case with most major media companies, in recent years we have been impacted by the introduction of swiftly evolving technologies which have proved disruptive to National Geographic's core publishing and television businesses. As Executive Vice President, I have broad management responsibilities and discretion which require me to interact with all divisions within National Geographic and to oversee global programs that are critical to maintaining the organization's competitive advantage and distinction in the market. In that capacity, I have acquired extensive experience and relationships with national and international organizations, government institutions and leaders. I have traveled to over 55 countries, representing National Geographic and negotiating business arrangements at the highest levels with government and business interests. I am a member of the National Geographic executive management committee and have participated in all its major business and policy decisions over the last 11 years.

Prior to joining National Geographic, I was the Assistant Secretary of Commerce for Oceans and Atmosphere and Deputy Administrator of NOAA from 1997-1999. From 1994 to 1997, I served as NOAA's General Counsel. In these two roles I participated in all major policy decisions of the largest agency in the Department of Commerce and acquired a sound understanding of its programs and budgets. Throughout those years my actions were dictated by my firm belief that the government's environmental stewardship responsibilities can and must be harmonized with the private sector's legitimate need for certainty and sustainable economic growth.

Prior to entering government service, I spent 15 years in the private sector representing corporate, banking and other business interests as a partner in two major national law firms. I represented financial institutions in all aspects of their operations, including Federal and state regulatory and legislative issues, corporate and securities matters, audit and financial management, mergers and acquisitions, bank operations, and enforcement and administrative proceedings. In addition, at the law firm of Hughes Hubbard & Reed in Los Angeles, I established the firm's west coast banking practice and was Chairman of the West Coast Financial Services Group. I understand first-hand the impact of regulation and the burden it can place on businesses and the need for a balanced approach by the Federal Government in developing regulatory policy.

In addition, I have acquired valuable experience and insight as a result of my service as a trustee, director or advisor to a diverse group of domestic and international academic and nonprofit organizations. Most recently as a Commissioner on the National Commission on the BP *Deepwater Horizon* Oil Spill and Offshore Drilling, I along with my fellow commissioners dealt with issues of utmost importance to our nation's economy, environment and energy future. I am proud to say that we effectively carried out the President's directive to investigate the root causes of the *Deepwater Horizon* explosion and make recommendations on how to prevent and mitigate a similar incident in the future. Our work was characterized by bipartisan collaboration and a firm dedication to uncovering the truth. I am also pleased to tell you we did something few Presidential commissions could claim-our report was on time, unanimous and under-budget.

If confirmed, I will have an unwavering commitment to the core mission of the Department of Commerce. That mission—to ensure and enhance economic opportunity for all Americans by helping create jobs and promoting innovation and long-term competitiveness of American companies large and small—has never been more urgent, relevant or central to this nation’s collective well-being. This includes: working to double U.S. exports by 2015 as part of the President’s National Export Initiative; ensuring that U.S. companies can compete on a level playing field around the world and that our trading partners comply with the full terms of our trade agreements; supporting continued efforts to improve the Patent and Trademark Office’s operations and delivery of services; and promoting the wise stewardship of our natural resources. If confirmed, I will work tirelessly in support of that mission.

Effective management and accounting controls and procedures are critical to the success of any enterprise. This is particularly true for an organization as large, diverse and complex as the Department of Commerce. If confirmed, I will: communicate through words and actions, the critical importance of effective internal controls and procedures; ensure, through active and appropriate oversight and direction, the effective implementation and maintenance of internal controls; demand excellence and accountability Department-wide; require ongoing evaluation of internal controls and procedures for their effectiveness in addressing existing and emerging risks/threats; motivate and empower Department management and staff to systematically improve effectiveness and efficiency and achieve performance excellence; and whenever necessary, ensure that appropriate corrective measures are instituted. I intend to work closely with the Department’s Office of Inspector General and will do all in my power to ensure that the OIG can effectively carry out its mission to promote efficiency and effectiveness and to detect and prevent waste, fraud, abuse and mismanagement in the programs and operations of the Department of Commerce.

Mr. Chairman and members of the Committee, if confirmed as Deputy Secretary of Commerce, I will work with you in a collaborative and constructive manner to develop practical and necessary solutions to our Nation’s economic and environmental challenges. My record over 35 years demonstrates this approach and my work ethic. Thank you again for this opportunity to appear before you today and for your consideration of my nomination. I would be pleased to respond to any questions you may have.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Terry Donato Garcia.
2. Position to which nominated: Deputy Secretary of Commerce.
3. Date of Nomination: May 16, 2011.
4. Address (List current place of residence and office addresses):
 Residence: Information not released to the public.
 Office: 1145 17th St. NW, Washington, DC 20036.
5. Date and Place of Birth: March 27, 1953; Jacksonville, Fla.
6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).
 Spouse: Mary Talley Garcia, Consultant (Information Services); Children: Alex Donato Garcia—26; Jake Brian Garcia—23.
7. List all college and graduate degrees. Provide year and school attended.
 American University, BA, 1975.
 George Washington University Law School, JD, 1980.
8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.
 New Directions, Legislative Representative, 1976–1978.
 International Development Cooperation Agency, Legislative Consultant, 1979–1980.
 Manatt, Phelps, Rothenberg & Tunney, Associate, 1980–1983.
 Fried, Kings Holmes & August, Attorney/Partner, 1983–1991.
 Hughes Hubbard & Reed, Attorney/Partner/Chair, Financial Services Group, 1991–1994.

Manatt, Phelps & Phillips, Attorney, Partner, 1994.

National Oceanic and Atmospheric Administration, General Counsel, 1994–1997.

National Oceanic and Atmospheric Administration, Deputy Administrator/ Department of Commerce, Assistant Secretary of Commerce for Oceans and Atmosphere, 1997–1999.

National Geographic Society, Executive Vice President, 1999 to present.

9. Attach a copy of your resume. A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last 5 years.

Commissioner, National Commission on the BP *Deepwater Horizon* Oil Spill and Offshore Drilling, 2010–2011.

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last 5 years.

Institute for Exploration/Mystic Aquarium (Sea Research Foundation), Mystic, Connecticut. Member of Board of Trustees. Term: 2005 to present.

Amazon Center for Environmental Education and Research (ACEER), West Chester, PA Member of Board of Directors. Term: 2003 to present.

Harte Research Institute for Gulf of Mexico Studies, Texas A&M University, Corpus Christi, TX. Member Board of Advisors. Term: 2004 to present.

U.S. National Committee for the Census of Marine Life. Committee, Washington, D.C. Member. Term: 2001 to present.

National Marine Sanctuary Foundation, Silver Spring, MD. Trustee Emeritus. Former Chair and member of Board of Trustees. Term: 2001–2007.

Ocean Advisory Committee, World Economic Forum. Member. Term: 2009 to present.

Committee on Exploration of the Seas, National Academy of Sciences (National Research Council, Division of Earth and Life Studies, Ocean Studies Board). Member of Committee. November 2001–November 2003. Report “Exploration of the Seas” published Nov 2003.

National Academy of Public Administration. Study Panel (examining National Marine Fisheries Service’s regulatory, financial and organizational structure and effectiveness), 20012002. Report published 2002.

Saltire Prize Advisory Committee, Scottish Government, Edinburgh, Scotland, UK. Member. Term: 2009 to present.

12. Please list each membership you have had during the past 10 years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

In addition to those listed in response to question 11 above, I am also a member of:

Cosmos Club, Washington, D.C., 2003 to present.

District of Columbia Bar, 1980 to present.

State Bar of California, 1982 to present.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt: No.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past 10 years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period: None.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements: None.

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics rel-

evant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

Publications

- Federal Regulation of Banking, Warren Gorham and Lamont, published 1980.
- Protecting the Corporate Whistle Blower, No. 2, Vol.5, *Journal of Corporation Law*, Winter 1980.
- “U.S. Regulators Clamp Down in Wake of Scandals,” *American Banker*, April 23, 1992.
- U.S. Accession to the Law of the Sea Convention, Issue 3, Vol. VII, *Georgetown International Environmental Law Review*, Summer, 1995.
- National Academy of Public Administration, Study Panel (examining National Marine Fisheries Service’s regulatory, financial and organizational structure and effectiveness), 2001–2002. Report published 2002.
- Committee on Exploration of the Seas, National Academy of Sciences (National Research Council, Division of Earth and Life Studies, Ocean Studies Board). Member of Committee. November 2001–November 2003. Report “Exploration of the Seas” published Nov. 2003.
- Op-Ed, “A legacy to match T.R.’s, in the ocean,” *The Providence Journal*, written with Joshua Reichert, September 16, 2008.*
- Op-Ed, “Bush’s Ocean Protection Plan Needs More Teeth,” *Seattle PI*, written with Joshua Reichert, September 10, 2008.*
- Op-Ed, “Oceans: Our finite, fragile and valuable resources,” *Saipan Tribune*, written with Joshua Reichert, September 2, 2008.*
- Op-Ed, “Ensuring an ocean legacy,” *Miami Herald*, written with Joshua Reichert, August 29, 2008.*
- Letter to the Editor, “The ‘Daimon,’” *The Chronicle of Higher Education*, June 27, 2008.
- Letter to the Editor, “Saving a Piece of History,” *Los Angeles Times*, April 19, 2006.
- Letter to the Editor, “The Situation with Salmon,” *The Washington Post*, April 28, 1999.
- BP *Deepwater Horizon* Oil Spill Commission Report published January 2011.

Speeches

As Deputy Administrator and General Counsel of NOAA, I gave numerous speeches in my official capacity. I did not retain copies nor do I have records of the dates and places of such speeches.

As Executive Vice President of National Geographic, I frequently make remarks at exhibit openings, conferences and other events regarding the work of National Geographic. I typically do not use written speeches. Below are recent events at which I have delivered remarks:

- American Association for the Advancement of Science. Moderator of Panel on Gulf Oil Spill. Washington, D.C. May 5, 2011.
- Montreal Science Center. NGS exhibition opening. Montreal, Canada. April 28, 2011.
- Melbourne Science Museum. Tutankhamun Exhibition Opening. Melbourne, Australia. April 6, 2011.
- Scottish Renewables Conference. Presentation on NGS coverage of renewable energy issues. Glasgow, Scotland. March 23, 2011.
- Economic Club of Florida. Presentation of Findings of National Commission on BP *Deepwater Horizon* Oil Spill and Offshore Drilling. Tallahassee, Fla. January 14, 2011.
- National Press Club. Presentation of Findings of National Commission on BP *Deepwater Horizon* Oil Spill and Offshore Drilling. Washington, D.C. January 11, 2011.
- Florence 2010, “Cultural Landscapes and Heritage.” Presentation of NGS work in field of cultural resource conservation. Florence, Italy. November 18, 2010.

*This Op-Ed was originally titled “The President’s Ocean Legacy.” The editor of this publication changed the title.

Jane Goodall Institute Global Leadership Awards. Remarks in connection with accepting Global Leadership Award on behalf of NGS. Washington, D.C. October 11, 2010.

NG Channel India Green Conclave. Opening remarks at NG Channel event. New Delhi, India. October 22, 2010.

World Water Day Conference. Opening remarks. National Geographic, Washington, D.C. March 22, 2010.

Tallberg Forum. Panel presentation on NGS ocean exploration activities. Tallberg, Sweden, June 24, 2009.

McKinsey & Company Conference for McKinsey clients regarding climate change issues. Presentation on NGS coverage of climate issues. San Francisco, CA. September 8, 2008.

UBS Symposium on Global Philanthropy. Panel presentation on NGS activities. Singapore. September 12, 2008.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

House Transportation and Infrastructure Committee, Subcommittee on Coast Guard and Maritime Transportation and Subcommittee on Water Resources and Environment, February 11, 2011, BP Oil Spill Commission recommendations.

House Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, February 25, 1999, Reauthorization of Coastal Zone Management Act.

House Committee on Commerce, Subcommittee on Energy and Power, September 25, 1998, Federal Hydroelectric Relicensing Process.

Senate Committee on Commerce, Science, and Transportation, Subcommittee on Oceans and Fisheries, May 20, 1998, Harmful Algal Blooms.

Senate Committee on Natural Resources, Subcommittee on Water and Power, October 30, 1997, FERC Hydroelectric Relicensing Procedures.

House Committee on Transportation and Infrastructure, Subcommittee on Water Resources and Environment, October 29, 1997, Superfund Reauthorization and Reform Legislation.

House Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, October 9, 1997, Oversight Hearing on Pfiesteria and its Impact on Our Fishery Resources.

Senate Committee on Commerce, Science, and Transportation, October 7, 1997, Nomination to be Assistant Secretary of Commerce for Oceans and Atmosphere.

House Committee on Government Reform and Oversight, Subcommittee on Human Resources, September 25, 1997, Pfiesteria and Public Health: The State and Federal Response.

Senate Committee on Environment and Public Works, September 23–24, 1997, Endangered Species Recovery Act.

Senate Committee on Environment and Public Works, September 4, 1997, Superfund Reform and Reauthorization.

House Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, March 13, 1997, African Elephants—Coral Reefs.

Senate Committee on Environment and Public Works, Subcommittee on Superfund, Waste Control and Risk, March 5, 1997.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

I believe my deep and varied private and public sector background, my substantial managerial experience and my particular familiarity with significant activities of the Department of Commerce affirmatively qualify me to be Deputy Secretary. My success as a senior executive at National Geographic, as Assistant Secretary of Commerce for Oceans and Atmosphere and NOAA General Counsel and, as a partner in two major national law firms have prepared me well for the management and policy challenges inherent in this position.

For the last 11 years, I have been a senior executive at National Geographic Society (NGS), a well known diversified media organization with world-wide operations and a clearly defined scientific and educational mission. NGS operates in a rapidly changing and highly competitive environment, one that has been impacted in recent years by the introduction of rapidly evolving technologies which have proved disruptive to NGS's core publishing and television businesses (as is the case with all major media companies). As Executive Vice President, I have broad management responsibilities and discretion which require me to interact with all divisions within NGS and to oversee global programs that are critical to maintaining the organization's competitive advantage and distinction in the market. In that capacity I have acquired extensive experience and relationships with national and international organizations, government institutions and leaders. I am a member of the executive management committee and have participated in all major business and policy decisions over the last 11 years.

Prior to joining NGS, I was the Assistant Secretary of Commerce for Oceans and Atmosphere and Deputy Administrator of NOAA from 1997–1999. From 1994 to 1997, I served as NOAA's General Counsel. In these two roles I participated in all major policy decisions of the largest agency in the Department of Commerce and acquired a sound understanding of its programs and budgets. As Deputy Administrator I exercised broad and substantial management responsibility.

Prior to entering government service, I spent 15 years in the private sector representing corporate, banking and other business interests as a partner in two major national law firms. I represented financial institutions in all aspects of their operations, including Federal and state regulatory and legislative issues, corporate and securities matters, audit and financial management, mergers and acquisitions, bank operations, and enforcement and administrative proceedings. I frequently dealt with the most senior executives in these organizations. In addition, at the law firm of Hughes Hubbard & Reed in Los Angeles, I established the firm's west coast banking practice and was Chairman of the West Coast Financial Services Group.

Additionally, I have acquired valuable knowledge, experience and insight as a result of my appointment to and service on the National Commission on the BP *Deepwater Horizon* Oil Spill and Offshore Drilling and my service as a trustee, director or advisor to a diverse group of domestic and international academic and nonprofit organizations.

First and foremost, I believe service to our country is a worthy goal and one of the highest achievements for any of us. I have always felt the obligation and responsibility to put forth my best efforts to serve broad societal goals. Fortunately, my background has afforded me that opportunity and led me twice to leave successful private sector careers for government service. I believe that the Department of Commerce mission to ensure and enhance economic opportunity for Americans by creating jobs and promoting innovation and long-term competitiveness, has never been more relevant or central to our collective well being.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

Effective management and accounting controls and procedures are critical to the success of any enterprise. This is particularly true for an organization as large, diverse and complex as the Department of Commerce. If confirmed, I will: communicate through words and actions, the critical importance of effective internal controls and procedures; ensure, through active and appropriate oversight and direction, the effective implementation and maintenance of internal controls; demand excellence and accountability Department-wide; require ongoing evaluation of internal controls and procedures for their effectiveness in addressing existing and emerging risks/threats; motivate and empower Department management and staff to systematically improve effectiveness and efficiency and achieve performance excellence; and whenever necessary, ensure that appropriate corrective measures are instituted.

I have extensive experience leading and managing large organizations with global operations. As noted in my response to Question 18, I have been a senior executive at National Geographic for 11 years and for 5 years prior to this I was Assistant Secretary of Commerce for Oceans and Atmosphere and Deputy Administrator of NOAA. Prior to entering government service I was a partner in two major national law firms representing corporate, banking and other business interests. Activities have encompassed negotiation of mergers and acquisitions, consulting with and advising audit committees, development and execution of strategic plans, trademark and intellectual property protection, employee training, advertising, marketing and promotion, scientific grant administration, print and digital media production and

development and launch of new products and services. In the course of my career, I have had extensive experience in audit and financial management practices.

20. What do you believe to be the top three challenges facing the department/agency, and why?

Because I am not currently employed at the Department, I cannot presume to know all of the challenges it currently faces. That being said, the overarching priority and challenge, of course, is to effectively advance the Department's mission to ensure and enhance economic opportunity for Americans by creating jobs and promoting innovation and long-term competitiveness. Based on my understanding and outside observations, some of the more immediate management challenges facing the Department are:

1. Improving management of major system acquisitions, such as NOAA's environmental satellite program, and contract operations in order to avoid or minimize cost overruns, schedule delays and reduced performance capabilities.
2. Strengthening the Department's IT security to enable effective defense of its systems and information.
3. Effective implementation of reforms to improve operations of key bureaus, including PTO operations and delivery of services.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I am invested in the Federal TSP, the National Geographic Society's 401k and will be entitled to the National Geographic Society's pension plan upon retirement.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain: No.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

5. Describe any activity during the past 10 years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

Commissioner, National Commission on the BP *Deepwater Horizon* Oil Spill and Offshore Drilling. 2010–2011.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Commerce's Designated Agency Ethics Official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please explain.

I am not aware of any such complaints.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain: No.

3. Have you or any business of which you are or were an officer ever been involved as a party in an administrative agency proceeding or civil litigation? If so, please explain.

In 1997, I was involved in a small claims proceeding in LA Municipal Court with the former tenant of my house in Los Angeles. The matter involved a dispute over rent in the amount of \$1,547.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain: No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain: No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination: None.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by Congressional committees? Yes.

2. Will you ensure that your department/agency does whatever it can to protect Congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

RESUME OF TERRY D. GARCIA

Professional Experience

1999 to Present—*National Geographic Society*—Washington, D.C.

Executive Vice President—Responsible for management and oversight of the Society's core mission programs, including programs that support and manage more than 400 scientific field research, conservation and exploration projects annually, the Explorers-in-Residence and Emerging Explorers programs, geography and science education programs, geography competitions, development of office, exhibitions, live events and the mission media program, which includes the All Roads film and photography program. Also responsible for the Society's major global initiatives including the Genographic Project, an effort to map the history of human migration.

Manage and direct all scientific field research, exploration and education programs of the Society. Manage and direct Society's SO state education program which seeks to strengthen geography and science education in U.S. grades K–12. Member of the Senior Management Committee, the Senior Editorial Council, the Committee for Research and Exploration and the Conservation Trust. Serve on Board of Governors of the National Geographic Education Foundation.

1997 to 1999—*National Oceanic and Atmospheric Administration*—U.S. Department of Commerce—Washington, D.C.

Assistant Secretary of Commerce for Oceans and Atmosphere; Deputy Administrator of National Oceanic and Atmospheric Administration—As Assistant Secretary managed and oversaw NOAA, a 15,000 person agency which directs and coordinates U.S. coastal, ocean and atmospheric programs, including the National Ocean Service, the National Marine Fisheries Service, the Office of Oceanic and Atmospheric Research, the National Weather Service and the National Environmental Satellite, Data and Information Service. Directed all ocean and coastal programs of NOAA, including recovery of endangered species, habitat conservation planning, natural resource damage assessment (CERCLA, Clean

Water Act and Oil Pollution Act), clean water act implementation, trade and environment issues, commercial fisheries management, nautical charting and marine transportation, coastal zone management and national marine sanctuaries. Oversaw operations of National Weather Service and NOAA satellite program, including licensing of commercial remote sensing satellite systems. Served as agency representative on Interagency Global Positioning System Executive Board and White House task forces on climate change, trade and the environment, Clean Water Action Plan and the President's NW Forest Plan. Co-chaired Department of Commerce task force on trade and the environment. Served as Chairman of Coastal America, an interagency effort to encourage federal, state and private partnerships to protect and manage coastal resources. Lead negotiator for Department of Commerce in the acquisition of the Headwaters Forest from Pacific Lumber Company.

1994 to 1997—*National Oceanic and Atmospheric Administration—U.S. Department of Commerce—Washington, D.C.*

General Counsel—Managed legal staff of 150. As chief legal officer of NOAA, provided legal and policy advice on all major agency programs and initiatives. Oversaw effort to review and streamline NOAA's regulatory programs resulting in elimination or consolidation of approximately one-half of the agency's regulations. Re-engineered Federal Government's approach to the assessment and recovery of damages for injuries to natural resources under the Oil Pollution Act of 1990. Led the development of the natural resource damage assessment regulations under the Oil Pollution Act of 1990 and the implementation of the Exxon Valdez Oil Spill Restoration Plan for Prince William Sound and the Gulf of Alaska. Principal agency official in development of administration policy for commercial remote sensing satellite systems. Led development of secretarial order revising the operating relationship between the Federal Government and Native American tribes in implementing the Endangered Species Act. Successfully negotiated on behalf of management a collective bargaining agreement covering agency's staff attorneys. Developed and implemented contingency plan for operation of critical agency programs during 1995 government shut-down.

1994 (Jan) to 1994 (Sept)—*Manatt, Phelps & Phillips—Los Angeles*

Partner—Represented financial institutions in all aspects of their operations, including Federal and state regulatory and legislative issues, corporate and securities matters, mergers and acquisitions, bank operational matters and enforcement and administrative proceedings. . Extensive experience in regulatory and supervisory issues affecting foreign and domestic banks, bank holding companies, savings institutions and non-bank providers of financial services. Advised and counseled corporations, non-profit organizations and political campaigns on state and Federal election and campaign law.

1991 to 1994—*Hughes Hubbard & Reed—Los Angeles*

Chairman, Financial Services Group (West Coast); Partner—Established and developed a successful financial institutions department and practice in the Los Angeles office of national law firm. Responsible for development and supervision of the practice as well as recruitment, hiring and training of attorneys. Directed business development activities, including design and presentation of seminars on international and domestic banking issues. Represented financial institutions in all aspects of their operations, including Federal and state regulatory and legislative issues, corporate and securities matters, mergers and acquisitions, bank operational matters and enforcement and administrative proceedings. Advised and counseled clients on Federal and state election and campaign law matters.

1983 to 1991—*Fried, King, Holmes & August—Los Angeles*

Partner—Responsible for general corporate/securities and regulatory representation of foreign and domestic banks, bank holding companies and their affiliates. Directed training and supervision of associate attorneys.

1980 to 1983—*Manatt, Phelps, Rothenberg & Tunney—Washington, D.C. and Los Angeles*

Associate—Specialized in general corporate/securities and regulatory representation of commercial banks, bank holding companies and their affiliates.

1979 to 1980—*International Development Cooperation Agency—Washington, D.C.*

Legislative Consultant—Advised new agency in establishment of Legislative Affairs Office. Served as liaison with other Federal agencies. Agency was respon-

sible for oversight of U.S. foreign economic development assistance programs, including those administered by the Agency for International Development, the Departments of Treasury, State and Agriculture, the Exim Bank and the Overseas Private Investment Corporation.

1976 to 1978—*New Directions*—Washington, D.C.

Legislative Representative—Represented public interest organization in foreign policy matters before Congress and Executive Branch. Developed and implemented organization's legislative initiatives involving U.S. economic development assistance programs and U.S. participation in international financial institutions.

Education

May 1980—*Juris Doctor (With Honors)*, National Law Center, George Washington University, Washington, D.C. Member, Journal of International Law and Economics.

May 1975—*Bachelor of Arts, International Relations*, School of International Service, The American University, Washington, D.C.

Other Activities

National Commission on BP Deepwater Horizon Oil Spill and Offshore Drilling, Commissioner, 2010–2011.

Institute for Exploration/Mystic Aquarium (Sea Research Foundation), Mystic, Connecticut. Member of Board of Trustees. Term: 2005 to present.

Amazonian Center for Environmental Education and Research (ACEER), Member of Board of Directors. Term: 2003 to present.

Harte Research Institute of Gulf of Mexico Studies, Texas A&M University. Member Board of Advisors. Term: 2004 to present.

U.S. National Committee for the Census of Marine Life, Committee Member. Term: 2001 to present.

National Marine Sanctuary Foundation, Trustee Emeritus. Former Chair and Member of Board of Trustees. Term: 2001–2007.

Ocean Advisory Committee, World Economic Forum, Member. Term: 2009 to present.

Committee on Exploration of the Seas, National Academy of Sciences (National Research Council, Division of Earth and Life Studies, Ocean Studies Board). Member of Committee. November 2001–November 2003. Report "Exploration of the Seas" published Nov 2003.

National Academy of Public Administration, Study Panel (examining National Marine Fisheries Service's regulatory, financial and organizational structure and effectiveness), 2001–2002. Report published 2002.

Saltire Prize Advisory Committee, Scottish Government, Member. Term: 2009 to present.

Associations

The District of Columbia Bar (1980 to present)

State Bar of California (1982 to present)

Publications

Federal Regulation of Banking, Warren Gorham and Lamont, published 1980.

Protecting the Corporate Whistle Blower, No.2, Vol.S, Journal of Corporation Law, Winter 1980.

U.S. Regulators Clamp Down in Wake of Scandals, American Banker, April 23, 1992.

U.S. Accession to the Law of the Sea Convention, Issue 3, Vol. VII, Georgetown International Environmental Law Review, Summer, 1995.

National Academy of Public Administration, Study Panel (examining National Marine Fisheries Service's regulatory, financial and organizational structure and effectiveness), 2001–2002. Report published 2002.

Committee on Exploration of the Seas, National Academy of Sciences (National Research Council, Division of Earth and Life Studies, Ocean Studies Board). Member of Committee. November 2001–November 2003. Report "Exploration of the Seas" published Nov 2003.

Op-Ed, "Ensuring an ocean legacy," Miami Herald, written with Joshua Reichert, August 29, 2008.*

BP *Deepwater Horizon* Oil Spill Commission Report published January 2011.

The CHAIRMAN. Thank you, Mr. Garcia.

Mr. Bryson, it may come as a surprise that you get the first question.

It's actually very interesting, because although your statement to the Committee didn't represent the force that you presented to me when we were having a private meeting, which was lengthy and extensive, and I felt in you, and feel in you, a tremendous drive for success—I'll be honest with you, I don't think we've had a decent Secretary of Commerce since Bill Daley. They are very hard to pick out, and they're absolutely crucial to the future of our country.

Now, on the one hand, I think you have tremendous drive; you have tremendous executive experience; you can run circles around most of us well, maybe not Frank, but virtually everybody else on business. You know the deal. You know how to put things together. You know how to make things work. You know the country. You know the world. You know China. You know every place there is. You've been to it, you know it.

So looking at it from a rational point of view, you're a gift to this country, should you be confirmed. And I, for one, believe that you will talk with a very strong and a very powerful voice in an Administration that needs your voice much more than it realizes, which may be why the President asked you to do this job.

Now that's one side. The other side is the so-called controversy. We always find controversy, and sometimes it's done for purely political purposes, and sometimes it's done for policy reasons. That has to be dealt with.

So the question I'm going to ask you, is that although you have bought coal from West Virginia, Wyoming, and many other places, which is what we like to see, on the other hand, your position with respect to the NRDC and also cap-and-trade, et cetera, price on carbon, whatever, is an anathema to the people of my state.

Now, there are many things that are an anathema to the people of my state and to the people of other states. Everybody has their issues. There are 16 states that produce coal; there are, therefore, 34 states that do not. And if you're confirmed, you're going to be a national Secretary of Commerce.

So let me just sort of ask you bluntly, and hopefully this will trigger an outpouring of the defense that I thought you were going to make. That is, do the people of West Virginia who are obsessed with the future of coal, as am I, do they have reason to worry about your being Secretary of Commerce?

Do they feel that, as Secretary of Commerce, you will do something which reflects what you did 40 years ago or whatever, and is that something that I need to worry about? Or is that something which people will talk about and write about and write opinions in papers about, but which will not really touch on the fundamental work of your secretaryship, should you get it?

Mr. BRYSON. Thank you, Senator. I, maybe I cut some things out of the prepared remarks. But, let me get right at this.

The facts of the Grant Town project that we had and we built, and that I went so often to West Virginia for, must have been 12, 13, 14 years—largest taxpayers, as I understand it, in Marion County—I mean, that wasn't an NRDC project. That was waste coal in—what, I am a believer in, in energy, is diverse sources of

fuel, including, particularly, domestic sources of fuel. I think energy security requires that. I think a sound electric system needs that kind of diversity.

So, it's true that I was a founder of NRDC. It's even true that some things that NRDC did in the energy efficiency area, with people I can identify, I thought was very good.

There's no question that NRDC was not supportive of coal. They filed a lawsuit against our project—I mean, we had bought all these projects, all the non-nuclear projects that Commonwealth Edison had in the Greater Chicago—we bought them all. We operated them all. We improved them, frankly, environmentally. But—and we still have those projects, and we're still proud to have those projects. You know, we have the nuclear plants, so we're quite a large owner-operator of nuclear plants. We're proud of that. That's not an NRDC positive. NRDC filed the lawsuit—

The CHAIRMAN. I understand. I'm not just focused on the NRDC.

Mr. BRYSON. Oh, I'm sorry. I thought, that's what I understood the question to be. I'm sorry.

The CHAIRMAN. Well, it was part of the question. But, it's the general posture of people saying, "Oh, he's an environmentalist, and therefore he can't, he won't be helpful to us," or, "He'll fight against coal." Now you're going into something called the Secretary of Commerce, if you're confirmed.

Mr. BRYSON. Yes.

The CHAIRMAN. That's an enormous subject. And I have other questions to ask you about it. But, I want to try to put to rest, if it is possible, that you being the Secretary of Commerce, should that happen, and the interests of the people of West Virginia, for the most part who are concerned about the future of coal, and natural gas, that they will not have to, quote, "worry about you." Now, you understand—I'm not phrasing the question properly. But you understand exactly what I'm saying, and I'd like a really straight, direct answer.

Mr. BRYSON. Well, I believe they would find me a strong and supportive Secretary of Commerce. I believe, for example, that the manufacturing base—we talked a little about that—we've got to work with those small, medium-size, sometimes small town, sometimes totally rural companies, and find ways—we have means to do these things—to convey to them the steps they can take. But also, to convey to them the reason why they, we would want them to develop confidence that making further investments—for example, for exports—is in their business interest, and serves West Virginia, serves the people they live with.

The CHAIRMAN. Mr. Bryson, I'm over my time. I just want you to speak directly to—either your environmental past, your environmental present, or whatever it is—and say why, if that is the case, you do not feel that is a threat to the people of West Virginia? I don't want to hear about creation of small business, big business. I was glad to hear about Marion County, Grantsville, all of that. But, they will be worrying, as we are having this hearing. They'll be worrying, "Is this person going to be one of those people who tries to crush our existence?" I want to hear from you.

Mr. BRYSON. Yes, and I don't think they will be worried, because my guess is, you know, you know, if, the imperative now is enhanc-

ing our businesses, building them stronger here in the U.S., and thereby creating jobs. And, that is my focus. That's what the President asked me to do. That's what I will do.

The CHAIRMAN. He did not ask you that, to expedite the demolition of the part of coal which is represented in our energy supply?

Mr. BRYSON. Not at all. No. He was clear, and I'm clear. In fact, I think you can only do a job like this with prioritization. I will be focused. And I'll be focused on that—on jobs.

The CHAIRMAN. Thank you, sir.

Senator HUTCHISON.

Senator HUTCHINSON. Well, first let me say that I am pleased that the nominee for Commerce Secretary has had business experience, and I think the President needs more people around him with business experience, and you fulfill that role. And I do hope that what you said in your opening statement, which is that you will be a cheerleader and advocate for the regulatory reform that we all agree needs to be done, but which, frankly, has not been done so far, you will fill that role. And I think that's a good thing.

Now, along the lines of what the Chairman has started, with the coal industry, I have concerns about some of the things you have said regarding energy regulations. And in a speech where you came out for cap-and-trade legislation, you said that it is a tax, and that regulations that penalize energy producers for producing more energy than needed by the government were the best way to reduce energy consumption and greenhouse gases.

So, the question is, having talked to so many business people, and the cost of energy being one of their toughest issues and one of their biggest concerns, are you anti-energy? Are you for taxing energy—raising the cost, and letting that have the effect of hurting our businesses, while gaining the purported result of having more investment in other forms of energy?

Mr. BRYSON. Absolutely no. The, I think that it draws on this cap-and-trade question, if I have it right.

The reason that we in the electric utility industry—substantially every company—there were a very, I, maybe I can pick out one or two—wanted in the end to have a sensible cap-and-trade bill, as we saw it at the time. It was that, we couldn't make the investments we needed to make in the infrastructure of our systems for our customers under the kind of massive uncertainty that existed at the time.

So, we utilities got together—I had been Chairman of the Edison Electric Institute. I had been on the executive committee for 10 years. I worked with others that were senior positions in the industry. I was by far not the only one. We worked together, and we presented to the House—as Senator Feinstein said, I'd actually worked with others to try to find a path that preserved the coal. What we needed was time, and with time we felt we could work a low-cost potential transition into things like clean coal, into things like natural gas with greater utilization in industry. Lots of things that we thought we could achieve. But we needed some predictability, and it was chaos at that time.

Now, quite a large number of other businesses across the U.S., as I think you know, likewise, made that choice at that time. So, Dow Chemical, DuPont, Shell Oil, and many others, we all recog-

nized—to my knowledge, no one's raising that now. I certainly would not raise that as the Secretary of Commerce.

Senator HUTCHINSON. Do you think the corporate tax rate in America, being the second highest on the globe, is too high? And are you going to advocate for lowering the corporate tax rate to make us more competitive, including energy industries?

Mr. BRYSON. Yes, I would, I would strongly believe in that. I know, the President has, is working with some group of people—honestly, I don't know about that—on a tax proposal. But, I agree. I think, what I take from your question, and that is, we need to simplify our taxation in this country, and we need to put our businesses in a less taxed position.

And so, just, if I can give one anecdote: When we did this privatization investments that we did in 12 or 13 countries around the world, we ended up in this phenomenon in which then, our investments, and the earnings and the revenues from those investments, were parked overseas, and we had to pay a whopper of tax to bring them home. So, we had an incentive to invest not back in the United States, but overseas. I think those things should be changed.

Senator HUTCHINSON. Let me just ask one last question. And that is, you're obviously a member of the Boeing board.

Mr. BRYSON. Yes.

Senator HUTCHINSON. And you made a very good statement about regulatory excess. Do you think the stretch that the NLRB is making to try to keep Boeing from choosing where it manufactures its products is the overreach of regulation?

Mr. BRYSON. I think it's not the right judgment. I mean, I wasn't thinking of it so much as regulation. It seemed like an unexpected kind of legal proceeding that none of us on the board—we thought we were doing the right thing for the country, and we looked hard at maintaining the jobs in Washington and expanding the jobs elsewhere, to the benefit of the country, and never thought, for example, of putting those jobs outside of the U.S.

Senator HUTCHINSON. Well, that's a very important point that you're making. And I hope that, because of your experience, not only doing what's right for jobs in America, but also unabashedly representing the shareholders, for whom you hold a trust, that you will speak out against that kind of overreach that is unprecedented, really. I don't think I've seen anything like it ever. And I hope when you're confirmed that you will take that on as the spokesman for business and commerce in our country, that we've got to stop this. And if you will be the spokesman that you have said you will be, this should be Exhibit A.

Mr. BRYSON. Thank you.

Senator HUTCHINSON. Thank you.

The CHAIRMAN. Thank you, Senator Hutchison.

Senator Lautenberg.

Senator LAUTENBERG. Thanks, Mr. Chairman.

Mr. Bryson, you made mention of the fact that rules and regulation ought to be—I don't know the precise language, but the thought was definitely there—that you would be looking at this with a degree, as you raised it here, a sort of question.

Well, I want to say this to you, sir—that it wasn't rule or registration that killed the automobile industry when it died. They were operating within the same parameters pretty much that they're operating now, and they've come back strong and very competitive.

I was just in France at an aviation conference, and Boeing was there, and they strutted their stuff, and they showed that their product was better than the others, and they weren't hampered by rules and regulation. So, I submit to you, sir, that if you see a rule and a regulation that you think has no cost, no benefit, it's just an obstacle, would you be embarrassed to say, "Well, we're going to have to change that?"

Mr. BRYSON. I wouldn't be embarrassed at all.

Senator LAUTENBERG. OK.

Mr. BRYSON. I think we have to do that—

Senator LAUTENBERG. Well, I just wanted to clear the air, Mr. Bryson—

Mr. BRYSON. I wouldn't be embarrassed the in slightest—

Senator LAUTENBERG.—because—

Mr. BRYSON. Yes.

Senator LAUTENBERG.—the inference that it's rule and regulation that are killing business, is baloney, you'll forgive me. And it's often a trial balloon that really involves other things. We need rules and regulations in a society that functions with a degree of order. And the company that you were associated with, the Edison Electric, the company I was associated with, you're going to have 42,000 employees, I think it is, the number in Commerce. The company I started with—two guys, four working people, now has 45,000 employees that—we worked from scratch, and we built an incredible company, with the best record for growth of any company in America—10 percent or better.

So, I submit to you—a little more confidence in your experience and your ability, and an ability to make decisions. And you're, this isn't a popularity contest. When you're here, you're sitting before a jury, and you have to present those things that you think are going to help grow our commercial opportunities at home and abroad. So, I would look to you to be able to stir up your belief in things, and get the job done. I think you can do it. You've got great experience, and we're fortunate enough to have you here. And, if you were to be able to get this job, to land this one, then you will have made a great contribution to America's well-being. And you can't back down, whether you're wearing a uniform or not. If you're a member of the group, you've got to stand up for what's right. And, I don't mean to lecture you. But I just want to be sure that we, you know, we understand one another.

We know that changes in ocean chemistry caused by carbon dioxide will affect our food supply, the health of our oceans. Yet, research on ocean acidification is still in its infancy. Now, I wrote a provision that became law in 2009 requiring NOAA to lead an interagency effort to study the effects of ocean acidification. Would you say here that you're going to continue the administration's commitment to a better understanding in addressing this growing point resulting from a change in temperatures—or whatever the causes are—but, to make sure that we try to restructure these

things so that we don't lose the opportunity that comes from an ocean that's pure, that has coral alive, that is a place where fish and sea life gets its growing strength? So, does that strike you as any kind of a problem, to follow on there?

Mr. BRYSON. No. I don't, I mean, you raise a very good conversation—the ocean acidification issue.

Senator LAUTENBERG. Right.

Mr. BRYSON. It's one that I'm not very familiar with. I would like very much to sit down further, after this confirmation—

Senator LAUTENBERG. OK. I would—

Mr. BRYSON.—and understand it better. Yes. Yes.

Senator LAUTENBERG. I would tell you that therein lies an enormous environmental problem.

Mr. BRYSON. Yes.

Senator LAUTENBERG. Because ocean acidification is killing coral all over the place. And, with coral out of existence, the fish and the other sea life doesn't have a chance to find a place to propagate and develop.

Mr. Chairman, thanks.

The CHAIRMAN. Thank you very much, Senator Lautenberg.

Senator Blunt.

Senator BLUNT. Thank you, Mr. Chairman.

Mr. Garcia, I've decided that if I'm ever nominated for anything, I want Mr. Bryson to be the other nominee that day.

[Laughter.]

Senator BLUNT. And now for my questions for Mr. Bryson.

[Laughter.]

Mr. BRYSON. Thank you, Senator.

Senator BLUNT. And, I certainly respect and appreciate what both of you have done—what you've done a National Geographic; and what you've done in your career, Mr. Bryson. And it goes well beyond energy executive, because of the boards you've served on and all the other things you've done.

I don't think I agree fully with Mr. Lautenberg. I have, he's made a lot more business decisions than I have, and I have a lot of respect for him. But, I do think these regulations matter. For instance, let's talk about the Boeing regulation a little bit, the NLRB ruling. You were on that board. How long were you on that board? I know you were on it until last week, or the last couple of weeks.

Mr. BRYSON. Yes. That's right. And I was the longest-serving director, and I joined the board—

Senator BLUNT. Well, that's probably all—were you on the—

Mr. BRYSON.—1993, maybe.

Senator BLUNT. 1993? Were you, you were on the board when they made the decision to locate the new facility in South Carolina, then?

Mr. BRYSON. Yes.

Senator BLUNT. And that was a unanimous board decision. And I think Mr. Daley, Bill Daley, was also on that board at the time. You were part of that decision?

Mr. BRYSON. Yes.

Senator BLUNT. I think this regulation matters a lot. I think it, the message to everybody—you know, I'm from Missouri, where we have a lot of Boeing employees.

Mr. BRYSON. Yes. Yes.

Senator BLUNT. We're glad to have them. We're not a right-to-work state. But, I think one of the messages here is, if you're in a right-to-work state, or you're coming to the United States for the first time, until this is settled, that may be one reason not to come to Missouri, because you can't move, you can't put your second location somewhere that's not part of that first location in a non-right-to-work state. I just think this is one of the areas where a Secretary of Commerce—if you're not fighting this attitude in any administration, nobody is. You have to be the guy that says we've got to have more certainty. Whether it's in regulatory efforts, or the taxing efforts, or what the utility bill might be, all of those become reasons not to take a risk. It's a lot easier to not put your money on the table to see if you can lose it, than it is to put it on the table and see if you can lose it. And, I think you've got to be a real advocate for that.

And whether it's the EPA or—I agree with Senator Hutchison, that the, this NLRB rule is something that, if somehow the Congress wanted to enact this as a new national standard, that's one thing—and I wouldn't be for it—but, to have these rulemaking agencies think they can make these big stretches into new areas of law is a real concern. And it stands against the number one priority of the government of the country today, which should be private sector job creation.

And, I mean, as a member of that board, do you have particular concerns about how that decision by your board, well taken and well entered into, has created this new set of problems?

Mr. BRYSON. I certainly hope not. I'll just say, the best legal analysis I saw—and this was very carefully worked out. By the way, it was very carefully worked out, as perhaps you know, also with the State of Washington. I mean, this was, the analysis I've seen says this legal initiative is not sound. It's not based on any significant tradition in the law of national labor relations. I am no expert on that, but we gave a lot of attention to it. I think the position is sound that Boeing took.

Senator BLUNT. Well, I think it's fair to say, you are an expert on corporate decisionmaking. You've been involved in a lot of it. And you—

Mr. BRYSON. Yes.

Senator BLUNT.—know what it takes for these decisions to be made. And you know how a little difference makes the difference in whether you make the decision or not. And, in my view, the advocacy of the risk-reward philosophy of capitalism is a key job of the Secretary of Commerce. If you don't understand risk-reward, and don't respect it as a driving component of growing the economy, the economy doesn't grow. And I think that's a lot of what we're seeing right now, is, this lack of certainty creates incredible hesitancy, which means nobody takes a chance. If nobody takes a chance, other people don't get an opportunity that that chance would have provided for them.

But, your comments, I appreciate your comments on the NLRB regulation. I am concerned about a sense that the California model is the right utility model for us to follow. And if you are confirmed, I hope you and I can talk about that more. Because I think looking

at these kind of increases in rates—not only they don't make us competitive, they drive these jobs to countries that care a whole lot less about what comes out of the smokestack than we do. And so, the overall goal, environmental goal, is actually set back, instead of moved forward, by policies that drive jobs from our country to other countries.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Blunt.

Senator Snowe.

Senator SNOWE. Thank you, Mr. Chairman.

Let's go back to what I was discussing earlier, because I think it is so paramount in focusing on job creation. And in fact, yesterday I was trying to describe an initiative that I had offered two and a half years ago, to your predecessor, which was to have a job creation coordinator because of the disparate organizations and structures within the Commerce Department, to centralize the focus and bring everybody forward in a coordinated, synchronized fashion.

And the same is true in regulations. When I look at the overall picture of what the Commerce mission is, and what the reality is of the economy today, they're totally misaligned. And I can go through all the numbers.

And, Senator, you did a great job in putting the mission and the chart together.

If it's promoting job creation, you'll know the jobs numbers. In fact, we are at a point where, since January of 2009 unemployment has fallen below 9 percent for 5 months only. I mean, we know what we have to create—285,000 jobs a month in the next 5 years to get back to pre-recession levels of 2007.

Economic growth for the first quarter is projected at 1.8 percent. Projected for this quarter, 2.3 percent.

If you look at your mission to strengthen the international economic position of the United States, less than 1 percent of U.S. businesses engage in exporting. Sixty percent of these firms export to just one foreign nation. China will surpass us, according to the IMF, in 2016—a mere 5 years from now. The overall U.S. trade deficit in March was \$45 billion. So, we're importing more than we're exporting. And we talked yesterday about how few of the manufacturers are exporting.

If you look at your mission to promote aggressive business policies that help America's businesses and entrepreneurs, we talk about the cost of regulations for small employers. If they have 20 or fewer employees, it costs \$10,500 more for small businesses to comply.

A March 2011 report by the Manufacturing Institute on education reform said at the height of the recession, 32 percent of manufacturers reported they had jobs going unfilled. We have a huge skills gap.

Back in 1981, when we first passed the Research and Development Tax Credit bill—and I was in the House at that time—the United States of America had the most generous tax treatment for research among all of the countries in the Organization for Economic Cooperation and Development, the OECD. Today, regrettably, we offer the 17th most generous incentive for the private sector.

So, that's a picture. And I see a lot more in each of these categories vis-à-vis the mission of Commerce. That's why you have an opportunity to do something so important for the President, and most especially, for the country, and using the resources of your Department to bring it forward. I cannot impress upon you enough—that's all you've heard here, and echoing here today.

And that's why it gets back to one of the key issues of regulatory reform. As Ranking Member of the Small Business Committee, I cannot underscore enough the difficulty and the barriers that regulations present to small businesses and large businesses alike. I have talked to businesses of all sizes, all across America and, of course, including my own in Maine. When people say it doesn't matter—because I've argued this issue on the Floor, and there's a lot of resistance to the notion of regulatory reform. Just in this state of California, regulations—just on the state level—cost \$177 billion a year, or \$493 billion, if you count the indirect costs. That's the equivalent of 3.8 million jobs in the state of California alone. So, then you combine state with federal. And think about the onerous burden that presents to businesses of all sizes across this country.

That's why I hope you will use your voice and the force of the office on the whole issue of regulations, and to the President. I know that he's begun that effort most recently. But, we also have to do it here. But we have to do it in a big way, and it has to be consistent and coordinated. And we have to demand accountability from agencies.

So, there's no one person in the offices of the Commerce Department who is tasked with analyzing and assessing the impact overall of these regulations on businesses. So, I would urge you to consider that, and to make sure that you drive that initiative, because it's so critically important.

And, I hope that you will do everything that you can, Mr. Bryson, in that regard. And would that be one of your first initiatives that you'll present to the President?

Mr. BRYSON. Yes.

Senator SNOWE. You hope, right?

Mr. BRYSON. Yes. I mean, I've lived adverse regulation. In this power crisis in California, if you, if I took even a few steps on the respects in which it was driven to this crisis through bad regulation, you would be shocked. Excuse me.

Senator SNOWE. Mm-hm. Well, I appreciate that. And I applaud you, because I think that is going to be really important at a time that that voice needs to be heard here at the Federal level, and most especially, from the department that you will represent. So, thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Snowe.

Senator Rubio, and then I have one quick comment.

Senator RUBIO. OK. And I'll be brief, because I know a vote's been called.

I just wanted to make a statement, or a comment, about something we discussed. And it's, and all my other concerns have been outlined here today in the questions and in the opening statements.

But, just briefly, again, I hope something you will focus on, both of you will focus on, and that is the issue of our broken visa process that we have here in the country.

Clearly, America needs to have immigration laws. We can't be the only country in the world that doesn't have them and doesn't enforce them. And, I'm fully supportive of that.

On the other hand, it's important to note that our broken visa process is hurting our economy in multiple ways. Certainly, folks in the tourism industry will tell you that our market share in tourism is suffering from the inability to get folks to come here. I think people in business will tell you they're struggling to get buyers into their trade shows or into their warehouses and places of interest. Entrepreneurial—and we should be looking and actively searching for ways to bring entrepreneurs to this country to invest and create countries—and create jobs. Certainly, folks in your home state, in California and in other places, will tell you that in the high-tech industries they're having workforce issues.

So, certainly, we have some deficiencies in the visa programs that I hope can be addressed from a pro-business perspective. And I hope that both of you will make that a priority in your time that—we discussed that.

And, I just wanted to outline that, Mr. Chairman. Thank you.

The CHAIRMAN. Thank you, Senator.

I have to leave for a vote, or a series of votes.

May I say, Mr. Bryson and Mr. Garcia. Particularly, Mr. Garcia—first of all, I apologize. I mean, you're worthy of 7,412 different questions, and you didn't get one of them.

Mr. GARCIA. I don't take offense, Mr. Chairman.

[Laughter.]

The CHAIRMAN. Friendly questions. Mr. Bryson, I don't know what your schedule is, but I want to talk with you again. I want to talk with you one-on-one. Is that a possibility? Are you leaving town?

Mr. BRYSON. No. I'll stay in town through Thursday of this week, and if it would be helpful, I'll stay beyond that.

The CHAIRMAN. That's great. So, let's work that out.

Mr. BRYSON. Thank you.

The CHAIRMAN. In the meantime, Senator Kerry is back.

Oh. Senator Klobuchar had a question.

Senator Kerry, have you voted?

Senator KERRY. No.

Senator KLOBUCHAR. I haven't voted either. I can vote and come back, though.

The CHAIRMAN. It's going to be hard to vote and come back.

All right. Which of you is more intense about asking a question?

Senator KLOBUCHAR. I could just do 2 minutes of questions, if you'd like me to.

The CHAIRMAN. OK. Go ahead for 2 minutes.

Then, John, you.

Senator KLOBUCHAR. OK.

I actually have a question of you, Mr. Garcia. We have many workers that I think could do better if they were focused more on retraining in technical colleges and those kinds of things. Alexandria Tech in Minnesota has a 96 percent placement rate. And I

think that our education system needs to adjust to this new economy, where it's not just your grandpa's Vo-Tech anymore, that, actually, people who are getting 2-year degrees are doing incredibly better than some people that are getting 4-year degrees. And, that our high schools should be working better with the technical schools in terms of that focus.

Could you comment on that, and how the Department of Commerce could help workers learn new skills when they get laid off, or there are less jobs in the industry that they're in?

Mr. GARCIA. Thank you, Senator.

There is no question that we need more, but also better, jobs and a more skilled work force. The President has advocated the STEM program, advocating Science and Technology Education in this country. We need to educate the next generation of scientists, engineers, and others who are going to occupy these jobs that are critical to the advancement of this country's economy and sustaining that economy.

So, there are a number of tools at Commerce that can be used. I intend to take advantage of all of those tools. And, like Mr. Bryson, my focus is going to be on jobs.

Senator KLOBUCHAR. Thank you.

Mr. Bryson, I raised in my opening statement some questions about the international tourism issue. And, how committed are you to helping with this issue and pushing the State Department, and working collaboratively with them, as well as helping implement the Travel Promotion Act, over which the Commerce Department has jurisdiction?

Mr. BRYSON. I'm strongly, strongly in support of that. I mean, I commend you and the others with whom you've worked. But, I take it you've played a large role in that act.

And it seems to me almost somewhat obvious that we've got to take that further. The revenues are so extraordinary. And we have—

Senator KLOBUCHAR. You're speaking like a businessman, Mr. Bryson.

Mr. BRYSON.—a beautiful country.

Senator KLOBUCHAR. That's good. Because we think that it is pretty obvious.

Mr. BRYSON. Yes.

Senator KLOBUCHAR. And, for some reason, we seem to be running into bureaucratic snags in getting it done.

Mr. BRYSON. I'm pleased that we're going to help out in the Commerce Department.

Senator KLOBUCHAR. OK. Very good. Very good.

My last question would just be, broadband. The, I have found that in certain areas of our state, like northern Minnesota—beautiful resort areas—they're at a competitive disadvantage, because the resorts in Canada have more Internet access. So, of course, people are booking there instead of going to Grand Moray, or some of the beautiful communities on the north shore.

And, could you just briefly talk—I know Senator Kerry has to get to the vote—about your commitment to the broadband expansion in this country?

Mr. BRYSON. A strong, strong commitment. I think it's essential. I think if we're going to be a country that gives opportunities to everybody, we need to get to the rural communities, we need to get to the smallest communities.

The reality is that broadband already has become a huge location of commerce, and it will grow strikingly.

Senator KLOBUCHAR. Very good.

Mr. BRYSON. And, people in small communities deserve all that opportunity.

Senator KLOBUCHAR. That's correct. If they grew up in a small town, they should be able to stay there.

Thank you very much, Mr. Chairman.

Mr. BRYSON. I know something about that.

Senator KERRY [presiding]. Gentlemen, thanks a lot.

Mr. Garcia, it's been a tough afternoon.

Mr. GARCIA. Yes, it's been rough.

[Laughter.]

Senator KERRY. I've been watching on the—but I suppose, since you're going to be the deputy, you can just say "ditto" to everything.

[Laughter.]

Senator KERRY. That's a good way to get through it.

I've been listening, actually, back in my office, and I heard a number of my colleagues, particularly, secretary—secretary—Senator Blunt and some others refer to tax rates, and to the lack of certainty. And I would say to my friends on the other side of the isle—there's nobody here now, obviously, and you don't have to answer this—but, it would help a lot to provide certainty if we could get a little less ideological rigidity, and get an agreement on the budget fast. I can't think of anything that would help more. And the idea of turning our heads on the experts' predictions that we need to get something like \$4 trillion of savings—about \$3 trillion out of policy and \$1 trillion out of debt—and that everything they're talking about now fall shy of that, the idea that anybody's living up to a responsible challenge here, without revenue, is simply absurd.

You don't have to comment on it. This isn't the Committee for that. But, I will say, as my colleagues talk about certainty—the certainty we could send to the marketplace if we got a deal that was reasonable and rational, as we did under President Reagan. When President Reagan, for whom Defense cuts were an anathema, agreed to have 50 percent of the sequestration come out of Defense, and 50 percent came out of entitlements and domestic discretionary. That's rational.

What we're doing here, around here, right now is simply not rational, and I wish our colleagues were here, because I wouldn't hesitate to say this if they were. You can't do what we have to do for the country without revenue. Plain and simple. And we need to put it on the table and get it done, because your task is going to be 20 times harder if we're struggling to get this already fragile economy moving, and we're not investing in infrastructure—which hasn't been talked about here today. We're not investing in, the sort of the basics of our, to break that down, air control system, our

rail, or transit, all these things that matter in getting products to the marketplace.

So, I hope you're going to focus on those things significantly. There's a lot to talk about, and we have the votes on. It's tricky.

The other thing I want to straighten out is, I'm kind of tired of hearing about the odorous tax rates that corporations are paying in America, when in fact they don't pay those rates. The effective tax rate in the United States among OECD countries—about 30 nations—is about 14 to 18—midway to less than midway. And I think people, you know, I mean, you know, John Adams said, "Facts are stubborn things." But, people aren't entitled to their own facts. And a lot of folks around here in Washington keep making them up, or sticking with their own facts. And, it makes it very, very hard to proceed forward.

Now, as I said earlier, there are a lot of issues that fall before this committee, and there are a lot of things—I wear the hat as the Chair of the Communications Technology Subcommittee, and we are working on privacy, and the whole information management issue, and there's a lot to talk to you about on that. But, I don't want to do that today. And I trust that we're going to do it.

I do want to focus for a minute, if I can—I informed you I would do this. And it's an issue of enormous concern to us. Fishing in New England as a whole, from Maine all the way down through New York, is an old-time, long-standing way of making a living, and it's a huge part of our culture and history, and our tourism, and it's a big thing. We have two of the largest ports in the Nation for the landing of fish, in Gloucester and in New Bedford. And so, but, the relationship—under the Bush administration there were some excesses in terms of the regulatory process that are still not yet rectified completely.

I want to give Gary Locke and his team credit, because they worked very hard with us. And Jane Lubchenco's worked hard in order to try to change this. And they've moved, and made a number of different steps to try to build the relationship and confidence of our fishermen. But, it is still fair to say we have a distance to travel.

So, number one, I want to ask you, will you commit to coming up to our state, spend a day, half a day, whatever you can with us, to meet with our fishermen, bring people together, and listen to them, and help us work through—I think one of the best things we can do—Congressman Frank, Congressman Tierney, others, have proposed this also—that we create a task force that looks at the way in which regulations have been applied, and see if we can't find a better, more simple, more understandable, easier way of regulating the fisheries so that the fishermen have confidence that the decisions are being based on science, and common sense at the same time?

Mr. BRYSON. Yes.

Senator KERRY. Good.

Mr. BRYSON. Yes.

Senator KERRY. And we'd like to do that as soon as we can. I know you've got a lot of things to, you know, when you get sworn in, and, to get going on.

The second thing is, would you be willing to establish, I guess under your own aegis, if you were to undertake to put together this task force—not just come and visit, but investigate both the economic and regulatory issues. One of the problems we've had is, the Governor submitted important data to the Secretary, and there are some difficulties in the regulatory interpretation. And I respect that. The law is the law. Maybe we have to change it. Maybe it doesn't, the law doesn't always make sense, as you know from law school and from practice. Maybe there are some things we could do, and we could work together to tweak it. And, I'd just like to get a commitment from you that we can really work to continue the process that Secretary Locke put in place, and make progress.

Mr. BRYSON. That sounds entirely sensible to me. Honestly, I'm afraid I don't know that process. But I will learn that process, and I will follow through.

Senator KERRY. Believe me, you will.

Mr. BRYSON. I'm sure that's true.

Senator KERRY. Well, I appreciate that enormously. And I've talked to you about a couple of other issues. Because we have the vote on, I need to get there and not keep the vote from being—the vote clock has expired, so I have to magically get there with no time left and cast my vote.

So, you are, Secretary-designates and Under Secretary-designates, you are saved by the votes here in the U.S. Senate. And we look forward, and——

Mr. BRYSON. Yes.

Senator KERRY.—if I had my way, I'd pass you right now all by myself. But I'm not allowed to do that. We'll look forward to getting you confirmed as rapidly as possible, both of you.

And, Terry, we really appreciate your service and being willing to come onboard.

Thank you very much, both of you.

We stand adjourned.

Mr. BRYSON. Thank you.

[Whereupon, at 4:35 p.m., the hearing was adjourned.]

A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN D. ROCKEFELLER IV TO JOHN BRYSON

Question 1. Mr. Bryson, some have drawn a distinction between your record with Edison International and your environmental roots. Can you be clear about your position on coal as an American energy source?

Answer. Coal is an abundant and domestically produced fuel that has been and remains an important energy source for the American people. It is also one that I invested in heavily as the CEO of Edison International; in fact, 40 percent of our energy came from domestic coal.

Question 2. Mr. Bryson, small and rural businesses are the backbone of this country's economy and provide jobs for millions of Americans. Too often, however, they are overlooked by the agencies set up to support them. I believe that the Department of Commerce should focus on the businesses that have served Americans well and should help these businesses grow into the future. To this end, I am holding a Commerce Committee field hearing in West Virginia next week at which the Department will testify. What will you do to reach firms that may be reluctant to partner with the government or to take the initiative to start selling to overseas markets?

Answer. Ninety-five percent of the world's potential customers are abroad, so selling overseas is imperative for many companies' growth. The Commerce Department must be clearer about the benefits of overseas markets to our small and rural businesses, and follow up with services to help them get there. This is about outreach and, if confirmed, I plan to impress upon Commerce's Export Assistance Centers nationwide the importance of touching all businesses with export potential, including the two centers in West Virginia that I understand do good work with local businesses there.

Question 3. I have been impressed with Secretary Locke's CommerceConnect initiative to create "One-Stop" shops for businesses. I believe that this initiative could greatly assist manufacturers, many of which don't have the time to navigate a complicated bureaucracy. The initiative is just getting off the ground and needs continued support to succeed. Do you intend to continue this effort?

Answer. Yes. I believe the CommerceConnect initiative can play an important role in this regard by helping cut through the red tape that is an obstacle to too many American businesses. Because they are physically in communities as well as available from anywhere in the U.S. via the website and hotline, CommerceConnect can be a good gateway to building relationships with businesses initially wary of working with government and in providing exporting services for rural businesses.

If confirmed, I would hope to continue this valuable initiative begun under Secretary Locke, which I understand has helped hundreds of American companies already. I believe CommerceConnect has the potential to greatly assist small and medium-sized businesses to navigate the Federal bureaucracy and access the business solutions they need, as well as to connect with other state, local, and non-profit resources. We need to continue to assist American businesses, regardless of their size or geographic location, to cut through red tape and access services and programs that will help enable their businesses to grow.

Question 4. When the Department of Commerce issued its privacy green paper last year, I was concerned that it did not go far enough. Most of online consumer data collection falls outside existing privacy laws. Consumers have been forced to rely upon promises made by companies and terms of service that are often difficult to understand. I believe that there should be baseline privacy laws to protect consumers. How should the government address the problem of privacy invasions online?

Answer. I fully agree with you that there needs to be basic privacy protections in the commercial context for all American consumers. Privacy is a key ingredient for sustaining consumer trust, which in turn is critical to realize the full potential

for innovation and the growth of the Internet. If confirmed, I look forward to working with Congress on legislation to protect consumers' interests and provide businesses clear and consistent rules of the road. I would also work with the FTC and FCC to ensure there are authorities granted to enforce the privacy obligations established by legislation.

Question 5. I have introduced S. 913, the Do-Not-Track Online Act. It's a bill that allows consumers, with a simple click of the button, to tell online companies that they don't want their information collected; and obligates companies to honor that request. Do you agree with the idea of Do-Not-Track for online consumer privacy?

Answer. I applaud your leadership to find a clear-cut solution to unwanted invasions of consumer online privacy. I believe the Commerce Department can play a pivotal role in implementing enforceable codes of conduct through a multi-stakeholder process. If confirmed, I intend to work with browser developers, Internet companies, standards organizations, privacy advocates, and others to provide options for greater control over personal information that may be used for online tracking.

Question 6. Mr. Bryson, the Administration has been working on a plan, announced during the President's 2011 State of the Union Address, to make government not only more affordable, but also more competent and efficient. I've heard that this proposal, expected to be announced imminently, may involve overhauling the Department of Commerce and relocating the National Oceanic and Atmospheric Administration (NOAA).

My priority as Chairman of the Commerce Committee is to make sure that NOAA's day-to-day performance stays on track, and I'm deeply concerned that a reorganization would divert attention from sustaining the core services it provides that are both strained—from the hard cuts it endured during the 2011 Fiscal Year budget debate- and critically-needed—made evident most recently during the severe storms and natural disasters of this spring. Do you think the White House has made sustaining NOAA services, such as weather prediction and forecasting and the support of working waterfronts, a national priority? If confirmed, what will you do to make sure the crucial services NOAA provides aren't falling through the cracks?

Answer. I have not been involved in discussions regarding potential government reorganization, and therefore can't speak to details of any plans. However, I do agree with the President that we need to reform our government to make it better organized and better equipped to support American competitiveness. It is my understanding that the Administration's first focus is looking at trade and exports to see how we can better re-organize these functions to give American companies a leg up in the global economy. Again, while I am not familiar with the details of the discussions, I am confident that the White House has NOAA's best interests in mind and will ensure that it continues to deliver important services and programs to the public. If confirmed, I look forward to working with NOAA to help them continue to provide their excellent services to the American people.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DANIEL K. INOUE TO
JOHN BRYSON

Question 1. You did not much discuss the National Oceanic and Atmospheric Administration in your testimony but, as others have noted, it makes up approximately 60 percent of the Department of Commerce's budget and, given the breadth of its mandates, may occupy a significant amount of your time. Among the most important of NOAA's missions is the delivery of accurate weather and climate forecasts. This information impacts every sector of our economy, our national defense, and all of our daily lives. Underpinning this capability is a significant amount of observing infrastructure, including a fleet of geostationary and polar orbiting weather satellites. It is growth in the costs associated with maintaining and developing this satellite infrastructure that has largely driven the recent increases in NOAA's, and by extension the Department's, budgets. Unfortunately, the current FY11 appropriation does not include sufficient funding to support the timely development of the next generation of polar satellites, the Joint Polar Satellite System (JPSS), with the result that we are likely to face a significant degradation of weather forecast capability in 2016 for a period of eighteen months. Are you familiar with this issue? As Secretary, what steps are you prepared to take to ensure that we do not incur a longer gap in adequate satellite coverage than we already face?

Answer. I am aware of the importance of the Department's role in the development and delivery of timely and accurate weather and climate forecasts. I am also keenly aware of the importance that these forecasts have on every sector of our economy and national defense. While I am not familiar with the details of the issues

related to the NOAA satellite program, if confirmed, I intend to work with NOAA and with the Congress to take all necessary steps to ensure that these satellite acquisition programs are funded and effectively managed to achieve mission success.

Question 2. Do you have thoughts on how the Department might improve its long term major acquisition strategy to mitigate the impacts of year to year variations in the political and economic environment on important infrastructure such as JPSS?

Answer. With the role that the Department plays, from ensuring the safety of lives and protection of property to monitoring the recovery of the economy, an acquisition strategy should be in place to ensure that the processes and procedures are providing the public with the best service for its tax dollar. I understand Secretary Locke has conducted a detailed and thorough review of the Department's existing major acquisition strategy. I commit to continuing his work, if confirmed, to find the best ways to mitigate any funding fluctuations that could lead to instability in the Department's programs and result in diminished service to the American people.

Question 3. I understand that the President intends to release his initial proposal for a reorganization of government capabilities this summer and that the makeup of the Department of Commerce may be significantly altered. I believe that NOAA plays an important role in the Department by serving as the Nation's premier operational science agency, generating unique products critical to the day to day functioning of our government and economy. Do you feel that the National Oceanic and Atmospheric Administration should remain a part of the Department of Commerce and, if not, do you have an opinion as to where it should reside?

Answer. I believe that NOAA does vital work and look forward to helping to continue that legacy, if confirmed. It is my understanding that the Administration's first focus is looking at trade and exports to see how we can better re-organize these functions to give American companies a leg up in the global economy. While I am not familiar with the details of the discussions, I am sure that the White House has NOAA's best interests in mind and will ensure that it continues to deliver important services and programs to the public. If confirmed, I look forward to working with NOAA to help them continue to provide their excellent services to the American people.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN F. KERRY TO
JOHN BRYSON

Question 1. In light of the constrained budget environment affecting all agencies, it is important that decisions are made to increase cost-effectiveness. Some of the most important decisions that NOAA makes are with respect to the homeporting of its many research vessels and ensuring that the most cost-effective homeport is chosen. Given that temporary homeports can often lead to increased costs, do you believe that, when available, permanent, cost-effective solutions are the best option?

Answer. I think that all key decisions, whether in the government or private sector, should take into account cost-effectiveness. I remember your concern about NOAA vessel homeport issues from our meeting; however, I am not yet familiar with the details of NOAA's vessel issues. If we are confirmed, I look forward to working with the Deputy Secretary nominee, Terry Garcia, to ensure all Department of Commerce facilities and assets are managed with a priority put on cost effectiveness in meeting NOAA's mission.

Question 2. As Commerce Secretary, would you support the use of definable criteria in making decisions for the homeporting of vessels; specifically: feasibility, appropriate use of existing Federal facilities, and cost-effectiveness?

Answer. I am not yet familiar with the process by which homeports for NOAA vessels are determined, but cost-effectiveness and the other considerations you outline in this question seem to me at least highly relevant to making home port decisions.

Question 3. The United States has made tremendous, unparalleled progress in protecting endangered and threatened species. In the case of the U.S. pelagic long line, however, our unilateral species protection in an international fishery has contributed in part to the inability of the U.S. to catch a significant portion of its long-standing annual allocation of swordfish from ICCAT. This will inevitably result in the reallocation of the U.S. swordfish quota to other ICCAT countries whose species protection requirements fall far short of those imposed by the U.S. A reallocation to nations with weak, or nonexistent, protections for endangered and threatened species has significant economic and environmental ramifications. If confirmed, will commit to pursuing a more multilateral approach to protected species management?

Please describe some steps you will take to minimize such reallocation at the ICCAT meeting this year.

Answer. If confirmed, I pledge to work both bilaterally and multilaterally to help level the playing field so U.S. fishermen are not disadvantaged in the global seafood market. I am not yet familiar with the particular issues at hand in ICCAT, but, if confirmed, I look forward to working with you, the industry and NOAA to quickly become aware of the issues and ensure that NOAA's participation has our fishermen's best interests in mind.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
JOHN BRYSON

Question 1. From the beginning, I have been an adamant opponent of relocating the Marine Operations Center-Pacific (MOC-P) from the Puget Sound to Newport, Oregon. For that reason alone, it has been extremely difficult to get information from the Department on the project. As a result, I demanded an Inspector General's report of NOAA's MOC-P acquisition. Have you read the Inspector General's Report? If not, you should carefully read and evaluate the Inspector General's report. It will give you insight in to some of the management challenges you will be facing at the Department and NOAA in particular. I am well aware of internal discussions about the utility of keeping a MOC-P presence in Seattle. I would be very supportive this effort. As secretary, will you consider maintaining a MOC-P presence in Seattle? I urge you to reach out to MOC-P personnel. As Secretary, I want you to hold a closed door meeting with NOAA MOC-P employees, without senior management. I want you to hear from NOAA employees themselves about the process of the move, the necessity of maintaining fleet and collaborative science presence in Seattle. Can you commit to meeting with NOAA employees in Seattle to discuss this important issue?

Answer. If confirmed, I look forward to visiting NOAA employees and facilities around the country. I am unaware of the specifics issues that you raised regarding the Marine Operations Center Pacific; however, if confirmed, I will certainly familiarize myself with MOC-P, read and evaluate the Inspector General's report, and look into the issue further.

Question 2. Vessel based research is an important component of NOAA's mission. Stock assessment surveys, large scale ocean acidification research, offshore critical habitat determination and global climate change research can only be completed using vessel based data collection. Fishing quotas in the North Pacific are based on stock assessment survey data: the more robust the data, the more confidence we have in the model. Without data, regional fishery management councils are forced to catch limits due to stock uncertainty. Cutting ship time will decrease stock data, which will decrease catch, net profit, and as a result jobs for Washington State fishermen. As Secretary of Commerce, how would you direct NOAA to restore ship time and protect fishing jobs in my state?

Answer. If confirmed, I will work to support the requested resources for ship time and ensure that future requests put NOAA in the best position to support the fishing industry with current, high quality data. I will also work to ensure NOAA continues to plan the most efficient allocation of available resources to meet NOAA's highest priority ship observation needs.

Question 3. Endangered southern resident orca research funding was cut, eliminating offshore vessel based surveys and inhibiting NOAA scientists from collecting data critical to the recovery of Orcas. As secretary, how will you work to restore ship time funding for critical programs such as orca research, stock assessment surveys and ocean acidification research?

Answer. If confirmed, I will be a strong advocate for NOAA to have the best science on which to base its decisions. As you note, ship time to collect data and information about fisheries, orcas and ocean acidification is vital to ensuring NOAA's decisions are scientifically sound. If confirmed, I would work with Members of Congress, the fisheries community, academia, and others to promote and to continuously strengthen the excellence of NOAA's research and science efforts.

Question 4. In addition to ship time funding, one of the roadblocks to maintaining vessel based research that much of the NOAA fleet, including the *Miller Freeman*. The *Freeman* conducts stock assessments in the Gulf of Alaska and is in need of critical repair, with no funding priority in sight. How will you work to restore the *Freeman* and maintain the NOAA fleet overall?

Answer. Although I am not yet familiar with the budgetary issues regarding this particular vessel at this time, I understand that funding for ship time is necessary

to facilitate NOAA's research and mission, and is very important to you and your constituents. If confirmed, I will work with the President and the Congress to support funding for essential fleet priorities.

Question 5. Mr. Bryson, I have heard many scientists argue that we are still grappling with the core scientific questions that lie at the heart of the conflicts between Steller sea lions and fishermen in the North Pacific. After many millions of dollars spent on research, we still cannot definitively say to what extent fishing is impacting Steller sea lion populations. Under the Endangered Species Act, NMFS is required by law to arrive at an answer, but scientifically we still lack a fundamental understanding of the answer to that question with any certainty.

- Please explain why a rigorous attempt at using a large scale adaptive management approach has not been utilized in implementation of the fishery no take zones in the Western Aleutian Islands? NOAA has stated that an approach has been attempted in the past, but scientists agree that the attempt was poorly designed and poorly implemented.
- As Secretary, can you commit to working with the North Pacific Fishery Management Council and regional NMFS offices in the Gulf of Alaska and Seattle to seriously consider implementing an adaptive management approach, where the fishery management regime is designed as a series of experimental treatments with the explicit purpose of attempting to answer some of the fundamental Steller sea lion questions?

Answer. While I am not yet very knowledgeable about the particulars of this issue, I believe that NOAA's management of natural resources should be as adaptive and based on real-time information as is possible. If confirmed, I would encourage an approach whereby NOAA would work with scientists, resource users, academia, and other interested parties to explore the best and most practical mechanisms for gathering real-time data so that managers can change course if appropriate.

Question 6. Mr. Bryson, the most recent Steller sea lion biological opinion is currently under a CIE independent review. While the reviewers will evaluate the background, introduction, and scientific study sections of the biological opinion, the CIE review panel is not permitted to review the recommendations for management. To put it simply, NMFS will not allow their conclusions to be reviewed.

- What is the CIE panel? Where is it housed?
- Who are the scientists sitting on this panel?
- Who pays the salaries of those on the CIE panel?
- Who pays the salaries panelists in their full time positions (when panelists are not sitting on the panel)?
- What is the involvement of the NOAA administration in this panel? How much guidance is given to the panel? What specific guidance has been given to the panel to date?
- How are panelists selected for the CIE panel?
- Do panel members represent the diverse science topics covered in this report (movement ecology, life history, fishery biologist, stock assessment specialists, habitat utilization specialists, specifically GIS experts, orca biologists, baleen whale biologists, predator collapse specialists, climate change specialists)?
- Please explain how this panel can represent a nonbiased independent peer review of the complete biological opinion?
- As Secretary, will you redirect the CIE panel to evaluate the conclusions and management recommendations of this report? Why or why not? If you will not allow the panel to review the recommendations, please explain how you rationalize this decision based on the Endangered Species Act and NOAA's fundamental policies of scientific ethics.
- As Secretary, can you commit to a fair, ethical, independent, scientific peer review of the Steller sea lion biological opinion?

Answer. Unfortunately, I am not yet familiar with this issue, but if confirmed, I look forward to becoming versed in it as quickly as is reasonably possible. I have generally supported sound peer review processes and feel they can make important strides toward improving quality and trust in scientific judgments. If confirmed, I will ensure NOAA continues to work with you, other interested Members of Congress and their staff, and others on this important issue.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. FRANK R. LAUTENBERG TO
JOHN BRYSON

Question 1. For decades, Federal agencies have only been permitted to propose regulations whose benefits exceed their costs. Many of your former colleagues in the power industry have touted the benefits of regulations. In a December 2010 letter to the editor of the *Wall Street Journal*, the CEOs of power companies, including PG&E, Calpine, PSEG, Exelon, and Constellation wrote, “Contrary to the claims that the EPA’s agenda will have negative economic consequences, our companies’ experience complying with air quality regulations demonstrates that regulations can yield important economic benefits, including job creation, while maintaining reliability.” Do you agree that the vast majority of government regulations yield great benefits for our economy and society?

Answer. I believe that we can protect health and safety through sensible regulations while promoting job growth and innovation. As a former CEO, I know the challenges of complying with state and Federal regulatory requirements. Regulations need to be seen in terms of their cost, burden, and desired benefit. If confirmed, I look forward to taking a close look at all regulations within the Commerce Department—supporting those that are beneficial to our economy and society, eliminating those that are neither, streamlining the regulation to the extent possible, and in all cases seeking to find paths to timely regulatory decisions for businesses operating under them.

Question 2. We know that changes in ocean chemistry, caused by carbon dioxide, will affect our food supply and the health of our oceans. Yet research on ocean acidification is still in its infancy. I wrote a provision that became law in 2009 requiring NOAA to lead an inter-agency effort to study the effects of ocean acidification. How will you continue the Administration’s commitment to better understanding and addressing this growing problem?

Answer. If confirmed, I will support NOAA’s continued instrumental role in understanding the impacts of ocean acidification and changes in ocean chemistry, and working to determine impacts on commercial fishery species and coral species. It is also important to continue to work closely with Federal agency, state government and academic partners to ensure that coastal communities have the best data available to make decisions.

Question 3. The Magnuson-Stevens fisheries law sought to ensure healthy fish populations and keep the seafood industry sustainable and profitable. But there have been complaints about the quality of the data used to justify restrictions on fishing and the level of involvement of the fishermen who know the local waters best. Will you commit to using the highest-quality data to make fisheries management decisions and to improving cooperation with local fishermen?

Answer. Yes. Using the best available science, including looking consistently to updates in that science, is essential to NOAA carrying out its responsibilities at the highest level. I understand that cooperative research offers an important opportunity to involve fishermen in NOAA’s scientific efforts. If confirmed, I look forward to learning more about these efforts and ways to support NOAA’s engagement.

Question 4. Over eighteen years as CEO of Edison International, you helped that company become an energy efficiency innovation leader. Based on your experience, how can innovations that help the environment also help American businesses’ bottom line?

Answer. Innovations that help the environment can also help American businesses’ bottom line and the economy. Investments in technology, for example, can both reduce cost over their lifetimes and help the environment. For example, Southern California Edison (SCE) made significant investments in energy efficiency. Those investments were made only if they resulted in lower costs over the lifetime of the investments for the customers than the costs which would have been incurred by other possible electric system investments to serve our customers.

Question 5. The Patent and Trademark Office recently announced plans to open a Detroit office, and I understand it is looking to establish additional satellite offices to address the backlog of patent applications. In determining the location for these new satellite offices, what criteria do you believe the Patent and Trademark Office should take into account?

Answer. I believe that the PTO should take into account the availability of a talented work force, proximity to research institutions and universities, and a significant level of patenting activity. It is my understanding that these criteria are being considered by the PTO in its deliberations on satellite offices.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK PRYOR TO
JOHN BRYSON

Question 1. As Secretary of Commerce your top priority should be to grow the economy and create jobs. What three job creation initiatives are at the top of your agenda?

Answer. Job creation through economic growth will be my priority. While there is not a single solution, I believe three areas of vital importance are: (1) expanding goods and services exports through the National Export Initiative and ensuring a level playing field for American firms and workers, (2) fostering the American innovation that is a hallmark of our economy, and (3) working to enhance our manufacturing sector through initiatives like the Hollings Manufacturing Extension Partnership. If confirmed, I also intend to bring my own experience in business to reach out and ensure the views of the private sector inform policy decisions of the Administration as it focuses on its number one priority—job creation.

Question 2. Many entrepreneurs in rural America want to start their own businesses and I am always looking for opportunities to support these new business owners. Earlier this year, I introduced the Small Business Savings Account bill (S. 364) to allow entrepreneurs to save money, tax free, so they can start a business. I have also introduced the American Opportunity Act (S. 256) to encourage angel investors and venture capital funds to invest in fast growing small businesses. Similar bills have been introduced in the House. Do you think tax incentives such as the Small Business Savings Account and American Opportunity Act can help small businesses succeed?

Answer. I support enhancing small businesses and taking steps to help them grow and succeed. Small businesses need access to capital—be it their own or provided by others. I am not familiar with the specifics of your legislation to provide tax incentives, but, if confirmed, I look forward to discussing it with you further.

Question 3. The National Broadband Plan concluded that, “Broadband can provide significant benefits to the next generation of American entrepreneurs and small businesses—the engines of job creation and economic growth for the country.” Connect Arkansas, Arkansas’s statewide entity for broadband, has worked with small businesses in community outreach and education programs. As Secretary of Commerce, what will you do to expand broadband to rural America?

Answer. Expanding broadband access and adoption in the United States will be a top priority for me, if confirmed, and the Department of Commerce. Broader Broadband access provides major benefits for the American economy and its communities, especially for small businesses and entrepreneurs in rural America—including enhancing job creation, education, health care, and public safety. The Department is already hard at work advancing broadband in America, overseeing more than \$4 billion in grants to expand broadband infrastructure, support public computer centers, promote broadband adoption, and support statewide broadband mapping and planning. I understand the Department has also worked closely with the Department of Agriculture’s Rural Utilities Service, which likewise has been funding broadband projects in rural parts of the country, and is also working with other Federal agencies to identify 500 megahertz (MHz) of spectrum that can be repurposed for wireless broadband, which is crucial to meeting the needs of rural America. Indeed, this spectrum is likely essential to meeting the President’s goal of providing high-speed wireless broadband to at least 98 percent of all Americans within 5 years.

Question 4. A popular belief is that the United States no longer needs to manufacture and can thrive exclusively as a center for design and innovation. As Secretary of Commerce, what will you do to strengthen American manufacturing? Is it realistic to advocate for new government spending to assist manufacturers at time of fiscal restraint?

Answer. The “invent it here, manufacture it there” economic model is neither wise nor sustainable in my view. Maintaining a strong manufacturing presence in the U.S. supports our ability to innovate successfully for the future. And, our ability to innovate is tied to our ability to keep good manufacturing jobs in the United States. The manufacturing sector performs over two-thirds of private sector R&D and accounts for approximately 90 percent of patents, and 70 percent of engineering jobs. If confirmed, supporting the manufacturing sector of our economy will be a priority at the Department of Commerce.

The President has proposed a framework for deficit reduction that puts the Nation on a path to live within our means so we can invest in our future—by cutting wasteful spending and making tough choices on some things we cannot afford, while keeping the investments we need to grow the economy and create jobs. Investing in tech-

nologies, such as information technology, biotechnology, and nanotechnology, will support new good jobs in the U.S. by helping manufacturers reduce cost, improve quality, and accelerate time to market for U.S. made products.

Question 5. As part of the American COMPETES Reauthorization Act (P.L. 111-358), I had an amendment requiring the National Science and Technology Council to coordinate the advanced manufacturing research and development programs and activities of the Federal agencies and establish goals and priorities for advanced manufacturing research and development that will strengthen United States manufacturing. What should a national manufacturing strategy include and how should it be implemented?

Answer. A strong domestic manufacturing base is vital to our security and economic strength. If confirmed, I would:

- Promote innovation by making investments in research and development a priority;
- Redouble our efforts to increase exports of manufactured goods through the National Export Initiative which is the Administration's goal of doubling U.S. exports by the end of 2014;
- Implement pending trade agreements, which would benefit U.S. manufacturers;
- Enforce our trade laws to ensure American firms can compete fairly in the global marketplace;
- Support the President's efforts to reform our corporate tax code to ensure the United States remains an attractive place to do business; and
- Support initiatives like the Hollings Manufacturing Extension Partnership (MEP) which help manufacturers become more efficient and gain access to new markets.

Question 6. Manufacturing jobs today require significantly more training and education than in the past. Both labor leaders and businesses recognize the need for a more educated and skilled workforce through better science, technology, engineering, and math (STEM) education. President Obama recently said colleges and universities need to better align student skills with the workforce needs of business. As Secretary of Commerce, what is your strategy for fixing the jobs mismatch between what skills schools teach and what companies need?

Answer. As a member of the California Institute of Technology Board of Trustees, I understand first-hand how crucial STEM education is to America's future. Companies need these skills, and not enough students in the United States are mastering them. I believe the Commerce Department can play a role in this regard, particularly through bureaus like NIST, to inspire students to work toward the goal of contributing to scientific development in the public and private sectors. If confirmed, I would like to work with Education Secretary Arne Duncan to help relay this vital message, and be a voice for helping our students get the education today that is essential to our country's economic competitiveness in the future.

Question 7. How might the Federal Government encourage increased funding for pre-competitive research by industry?

Answer. Given the current budget environment, I think the approach taken by the President in the recently launched "Advanced Manufacturing Partnership" (AMP) is the correct one. The AMP is a national effort bringing together industry, universities, and the Federal Government to invest in the emerging technologies that will create high quality manufacturing jobs and enhance our global competitiveness. The U.S. Government has had a long history of partnership with companies and universities in developing and commercializing the new technologies that have been the foundation of our economic success—from the telephone, to the microwave, to the jet engine, to the Internet. The Commerce Department can play an important role in working with leading universities and companies to leverage Federal resources to help spur innovation. As I understand it, one of the initiatives highlighted in the President's announcement is a Commerce Department initiative that is aimed directly at the pre-competitive research you mention—the development of an advanced manufacturing technology consortium to identify public/private partnerships to tackle barriers to the development of new products.

Question 8. Many labor unions and businesses argue that certain countries, particularly China, engage in unfair trade practices, including currency manipulation. Critics assert that China artificially keeps its currency valued low, which has the effect of decreasing the price of goods produced in the country. If the United States believes that a country is manipulating its currency, what should be our policy with respect to getting that country to change its unfair trade practices?

Answer. It is my understanding that the determination of whether a country manipulates the rate of its currency exchange is one that would be made by the Department of the Treasury. It also my understanding that it is a high priority for the Treasury, working through the G-20, the IMF and through direct bilateral discussions to encourage policies that will produce greater exchange rate flexibility.

Commerce has the authority to administer the countervailing duty laws through a legal process. U.S. statute and established case law sets forth specific legal requirements that must be applied by Commerce in order to initiate an investigation of a subsidy allegation. If confirmed, I will work to ensure the integrity of our trade laws, and will uphold U.S. industries' right to relief by following the requirements of the U.S. law and our international obligations.

Answer 9. The National Research Council reported that research, science and technology parks are a proven tool to encourage the formation of innovative high-technology companies. The America COMPETES Reauthorization Act authorized a new Regional Innovation Program to provide grants for regional clusters and science park planning and loan guarantees for science park construction. What is your view on the role science parks and regional clusters play in helping make America more competitive and increase domestic manufacturing?

Answer. Like you, I believe that driving innovation and research is critical to driving economic growth in our country. I understand that EDA's direct experience with science parks has been very successful, especially in the area of small business development and growth. The bureau advocates Regional Innovation Clusters, which are a proven way to create jobs and grow the economy. They are geographic concentrations of firms and industries that do business with each other and have common needs for talent, technology, and infrastructure. Science parks are frequently an integral part of a regional cluster generating the research and innovation that supports the growth of entrepreneurs, small business, and job growth.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. CLAIRE McCASKILL TO
JOHN BRYSON

Question 1. As you know, enforcement of trade law by Federal regulators has been sorely inadequate. According to a recent Government Accountability Office (GAO) report, the Federal Government has not been able to collect over \$1 billion in anti-dumping and countervailing duties in the last decade. In Missouri, there have been several cases in which companies won their trade cases before the ITA and the ITC, only to find that lax enforcement continues to allow foreign companies to ship their goods into our country without paying required duties. The Senate Committee on Finance, Subcommittee on International Trade, Customs, and Global Competitiveness, under the leadership of Senator Wyden, recently issued a report that illustrates how easy and common it is for foreign suppliers to knowingly break the law and commit duty evasion. This is disheartening and harms American industry and workers. As Secretary, will you commit to making duty enforcement a top priority of the department? What steps will you take to do so?

Answer. If confirmed, I will be committed to the strong enforcement of our trade remedy laws. U.S. companies and workers need a level playing field on which to compete. I understand that last August, in support of the National Export Initiative, the Commerce Department announced the Trade Law Enforcement Initiative to strengthen the administration of the antidumping and countervailing duty laws. Specifically, the initiative included 14 proposed measures to improve the effectiveness of the Commerce Department's enforcement tools through administrative and regulatory changes. I support this initiative, and hope to see it through to its completion.

Question 2. Enforcement of trade law is the responsibility of Commerce, ICE, CBP, and the Department of Justice. Will you commit to aligning resources with these agencies to combat duty evasion and customs fraud?

Answer. I would make enforcement of our trade laws a top priority, and will work closely with my counterparts in the Department of Homeland Security, including ICE and CBP, to optimize the use of our collective resources in order to combat duty evasion and customs fraud and hold those who violate our trade rules accountable.

I have been informed that officials from the Commerce Department and Department of Homeland Security meet on a regular basis to discuss enforcement matters, both at the staff and senior levels, and that this on-going relationship has resulted in the sharing of information relevant to a number of antidumping and countervailing duty evasion issues. When a matter is referred to the Justice Department for potential prosecution, I understand that the Commerce Department provides technical information, when needed, to aid in the case.

Question 3. Commerce is integral in trade promotion activities. How will you ensure that duty enforcement will be a part of Commerce's trade promotion activities?

Answer. Efforts to enhance U.S. commercial competitiveness and maximize the potential of U.S. exporters can be undermined by unfair and illegal trade practices of governments and firms abroad. Enforcement is a key piece of the President's National Export Initiative, and I would make enforcement of the U.S. trade laws a priority if confirmed as Secretary.

I understand that Commerce provides strong enforcement of the U.S. antidumping and countervailing duty laws, which provide U.S. industries and workers with a reliable mechanism to seek much needed relief from unfair trade practices. I also understand that Commerce is undertaking an effort to strengthen the administration of these laws with its Trade Law Enforcement Initiative. Additionally, I am aware that Commerce regularly advocates on behalf of U.S. companies whose exports become subject to foreign trade remedy actions overseas. These enhanced efforts to enforce U.S. unfair trade laws and the advocacy on behalf of U.S. exporters subject to foreign unfair trade practices directly address impediments to the competitiveness of U.S. producers, workers and exporters domestically and abroad.

In short, if confirmed, I will work diligently to achieve that for U.S. businesses, workers, farmers and ranchers a level playing field on which to compete.

Question 4. The GAO reported that Commerce was working to speed up the delivery of liquidation instructions to customs. Will you assure that this issue gets resolved in a timely manner?

Answer. I am not yet well-versed in this matter, but if confirmed I will work to see to it that issues raised by the GAO are addressed and resolved in a timely manner, including enabling more accurate implementation of Commerce's antidumping and countervailing duty actions and quicker processing of liquidation instructions by Customs and Border Protection.

Question 5. The U.S. Commercial Service has officers located in American embassies and consulates across the world. Will you commit to making Commercial Service resources available to other Federal agencies, such as ICE and CBP, to better coordinate enforcement of trade laws?

Answer. The Commerce Department's International Trade Administration has an overseas network in U.S. Embassies and Consulates in over 75 countries. If confirmed, I will look into how we can best ensure that Commerce's overseas presence remains a vital component of the inter-agency effort to enforce our trade laws.

Question 6. I am cosponsor of S. 1133, the Enforcing Orders and Reducing Customs Evasion Act, which authorizes information sharing among government agencies and speeds up the timeline to process allegations of duty evasion. Do you support this legislation? Why or why not?

Answer. I am not yet familiar with this legislation. If confirmed, I will review it to better understand the details.

Question 7. In the 111th Congress, I co-sponsored S. 1606, which required that foreign companies to establish a registered agent in the U.S. as a requirement to importing to U.S. markets. The registered agent would be held accountable under U.S. law. Do you support this approach? Why or why not?

Answer. I am not familiar with this legislation. However, strong enforcement of the trade laws is a priority for me. If confirmed, I would consider recommendations from Congress and other interested stakeholders on additional steps we can take to improve enforcement of our trade laws.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL TO
JOHN BRYSON

Question 1. The Department of Commerce includes a diverse collection of agencies that work on everything from predicting the weather to issuing patents. The Department's over-arching mission, however, is to promote job creation and economic growth. That mission is more important than ever. As Secretary, how will you provide leadership to ensure that the Department of Commerce's diverse collection of agencies are all working to meet the needs of the people they serve?

Answer. As you note, while the Department of Commerce contains many diverse agencies, the central mission of the Department is to support American business by promoting innovation, providing information, supporting economic development, and maintaining key infrastructure. All of these efforts are in support of economic growth and job creation. While each bureau in Commerce has its own unique mission, it is important that the Department find ways to create efficiencies across their operations. In my time at Edison International, I worked to break down silos

and ensure that the different departments under my management worked together seamlessly. If confirmed, I will bring this experience to the Department of Commerce and work to make sure that all bureaus work together to support American business, particularly in areas where their missions overlap. I plan to meet regularly with Commerce bureau heads and promote effective working relationships across the Department. Our work must be directed toward providing services that help businesses grow, providing jobs and economic prosperity for all Americans.

Question 2. Mr. Bryson, what have been the Department's most successful recent efforts to help job creation and economic growth? What are some of your thoughts for building on and improving on these efforts?

Answer. I am reviewing the Department's current efforts. If confirmed, I pledge to build on the work begun by Secretary Locke to help more U.S. businesses, small, medium and large, break into new markets, as well as hold our trading partners accountable so they are giving American companies' products the same access in their markets as we give theirs. Our success will mean more jobs and more business investment.

If America is to take advantage of the extraordinary talent of its people, we have to empower our entrepreneurs and innovators. Our innovative capacity is embodied in our people, whether working in Federal or university labs, companies, creative communities, or neighborhood garages. The better able we are to speed ideas from the drawing board to the market the more likely it is that America will be home to the well-paying jobs of the future.

I want to build upon the efforts of the Commerce Department and this Administration as a whole to meet the needs of American businesses. Small- and medium-sized businesses account for the majority of American jobs. We need to make our services more accessible and easier to understand and use, and approach problem solving from a client's perspective. We must simplify and prioritize at a time of scarce resources. Promoting exports and capital formation, as well as being a voice for American businesses on the Administration's ongoing efforts to on regulatory and tax reform will be key areas on which I will focus if confirmed.

There is important work the Commerce Department is doing to lay the foundation for job creating growth in areas vital to the U.S. economy, from fostering regional innovation clusters to extending high speed Internet to underserved areas, to working with industry to develop standards that will accelerate smart grid deployment, to developing and promoting trust, privacy and security practices necessary for current and future Internet-based business to thrive.

Finally, improving the employment picture will also mean focusing on the vital work NOAA does in America's coastal communities.

Question 3. Mr. Bryson, some Members of Congress believe you hold views related to global warming that make you unqualified to lead a Department with the primary mission of promoting job creation and economic growth. Do you believe that the need to address challenges such as global warming and energy independence can create opportunities for job creation and economic growth?

Answer. I do. Edison International supplied energy to foster job creation and economic growth. At the same time, the company was working to reduce climate change risks and to enhance energy independence.

Question 4. With your background in the energy sector and experience as CEO of the one of the Nation's largest utility companies, do you have experience creating clean energy jobs that are good for both our economy and our environment?

Answer. If confirmed as Commerce Secretary, my top priority will be creating jobs by working with businesses to spur economic growth. That would include those businesses which are investing and innovating in ways that will both enhance the environment and provide clean energy jobs.

As CEO of Edison International, in our California utility business—pursuant to mandates from the State—we became a national leader in purchasing power in competitive auctions from renewable energy companies. As a result of those auctions, the costs of those forms of energy—wind, solar, geothermal, biomass—came down and jobs were created. Further, in our Edison International competitive power generation business, we built in other locations around the U.S. wind power plants providing both jobs and diversifying our energy mix as a company. These clean energy developments and purchases were part of a highly diverse mix of power generation within the company.

Question 5. When we talk about national unemployment levels hovering around 10 percent, we speak in terms of a jobs crisis. Unfortunately, there are parts of the United States where unemployment is much higher. Ten percent unemployment would actually be a good statistic compared to the levels of joblessness on many Indian reservations, where unemployment can rise to 50 percent. I am deeply con-

cerned about the lack of economic opportunity for many Native Americans. Last year, the Department of Commerce did award several Recovery Act broadband grants to provide telecommunications infrastructure on Tribal lands that can serve as a platform for economic growth. Could you share some of your thoughts on the importance of addressing the unemployment crisis affecting many living on Tribal lands? How can the Department of Commerce better help promote job growth in economically distressed communities?

Answer. We must pay as much attention to unemployment in Tribal lands as we do in other distressed communities. I am aware that Commerce's Economic Development Administration in particular focuses on promoting growth in economically distressed communities, and if confirmed I expect to be an ear for and advocate of businesses in every part of our country. If confirmed, I will ensure the EDA continues that focus—particularly with its work establishing Regional Innovation Clusters, through which geographic concentrations of firms and industries are bringing a new framework to economic development.

Question 6. The work of Department of Commerce initiatives led by EDA, MEP and TAA for Firms is especially important to small businesses across the country. I would like to ask about how these efforts within the Department of Commerce can continue to serve the needs of entrepreneurs and small business owners. The Manufacturing Extension Partnership (MEP) program has local MEP centers in every state to help small manufacturers. This Committee passed American COMPETES legislation last year to reauthorize the MEP program. This year, we have also had hearings on the need to ensure a vibrant American manufacturing sector. MEP Centers, such as the one in my state, face challenges with cost share requirements that limit their ability to help some of the small firms that most need assistance. The MEP system has requested their cost share requirement be reduced to a 50/50 ratio consistent with all other Department of Commerce financial assistance programs. If confirmed, could you look into the issue of the MEP program's cost share requirements?

Answer. If confirmed, I will look into the issue of the MEP program's cost share requirements and I look forward to discussing this issue with you further. I understand that the MEP program has been very successful, and I am committed to exploring ways to make it even more effective.

Question 7. As you know, job creation is a top priority. The Senate is currently considering reauthorization of the Economic Development Administration (EDA). The EDA is an important agency to our immediate economic recovery and has always helped local governments plan for smart regional growth. In New Mexico, EDA projects have created approximately 4,200 jobs in the last 4 years. In the past 6 years, the EDA has funded 75 projects totaling over \$37 million.

And yet, as successful as the EDA has been, it has to evolve. That's why I was pleased to see the growth of programs like the i6 Green Challenge that promote innovative ideas to drive technology commercialization and entrepreneurship in support of a green innovation economy. What outcomes for the i6 Green Challenge would you consider a success? Are there other green technology initiatives that you are developing?

Answer. I am not prepared at this time to provide fully formulated views on the i6 Challenge, but I believe grant programs like the i6 Challenge are important to help promote innovative ideas, economic growth and a green economy. Additionally, EDA administers the Global Climate Change Mitigation Incentive Fund, which promotes the concept that green versions of its traditional investments help advance the national green economy, which in turn contributes, to economic growth. If confirmed, I look forward to working with you and the Congress on these important issues.

Question 8. The Department of Commerce administers the Trade Adjustment Assistance for Firms program, which helps American manufacturers that are directly impacted by imports and foreign competition. As Congress considers passage of new free trade agreements, I want to be sure that TAA for Workers and TAA for Firms are also reauthorized. Some of the type of assistance includes help implementing lean manufacturing, better marketing, and quality assurance. TAA for Firms has helped New Mexico manufacturers and a food company that specializes in products such as green chile. This type of assistance can help some of small manufactures not only adjust to competition but also take advantage of new business opportunities. As Secretary of Commerce, will you support TAA for Firms and other efforts to aid American small businesses?

Answer. I believe we must provide for open markets abroad through Free Trade Agreements, while we maintain an open market in the United States. However, I do recognize that while trade creates jobs and economic growth, it may also result

in dislocation. I think our goal should be providing help in the most flexible way possible to allow individuals, firms, and communities to transition to a better future. The Economic Development Administration also administers a grant program which is similar to the TAA program called the Economic Adjustment Assistance (EAA) program. EAA is flexible and provides a wide range of technical, planning, and public works and infrastructure assistance in regions that experience adverse economic changes that may occur suddenly or over time. The EAA program in particular, is authorized to provide assistance to communities injured by international trade and loss of manufacturing jobs. If confirmed, I look forward to working with you on this important issue.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK WARNER TO
JOHN BRYSON

Question 1. Mr. Bryson, since Federal spectrum use is managed by the Department of Commerce through the National Telecommunications and Information Administration, you have an important role to play in meeting these goals. As you may know, the Commercial Spectrum Enhancement Act of 2004 established a process for relocating Federal agencies from spectrum and it provided for reimbursement for relocation costs. Last summer, Senator Wicker and I introduced bipartisan legislation to reform this process. Our bill makes the relocation process more predictable and transparent for both Federal agencies and potential bidders. The bill passed the Commerce Committee without objection last year. However, the Administration has raised concerns about the legislation, but has not provided alternative proposals or information regarding several outstanding issues.

Will you commit to working through these concerns in a timely fashion so that this legislation can be considered as part of any spectrum package that provides additional funding to Federal agencies? I am concerned that without some level of process improvements, allowing Federal agencies to access planning funds in advance of a transition is not sufficient to ensure a workable process between the private sector and the government.

Answer. I understand that we must optimize the efficient use of spectrum, including freeing up portions of the radio spectrum band that are currently used by Federal agencies, without jeopardizing the ability of Federal agencies to develop plans for and execute effectively their mission. If confirmed, one of my priorities will be to work to ensure that the National Telecommunications and Information Administration (NTIA), in conjunction with the Federal Communications Commission, meets the President's goal of identifying 500 MHz of commercial and Federal spectrum that can be reallocated for wireless broadband use over the next 10 years. I also believe that Federal agencies need the tools to rapidly relocate in the most responsible manner possible, including funding for upfront planning costs. I regret that I am not yet fully familiar with the specifics of your proposed legislation. If confirmed, I look forward to working with Congress and the Administration to implement process improvements which would ensure that Federal users can rapidly and responsibly relocate in order to achieve the President's goal of freeing spectrum for wireless broadband use.

Question 2. Below are the specific concerns we have heard about:

Question 2a. The bill would require Federal users to complete their relocation within 1 year after they start receiving their relocation funds. The Office of Management and Budget (OMB) is also provided with the authority to waive the deadline, if justified, on an annual basis without limitation. We are told the Administration believes that this deadline sets unreasonable expectations. However, I think we need to set some expectations—both for incoming commercial users and for the Federal users who must vacate the spectrum in a reasonable amount of time. Certainty regarding relocation timelines is important because it encourages commercial entities to bid on the spectrum in the first place and it holds Federal agencies accountable for the planning decisions they make relative to a scarce resource. I also note that since the Senate Commerce Committee recently approved legislation which provides Federal agencies access to the Spectrum Relocation Fund in the U.S. Treasury, to assist in making transition and spectrum sharing planning decisions, it is difficult to understand why taxpayers should not expect agencies to adhere to reasonable planning timelines. Do you believe Federal agencies should have to meet reasonable timelines for relocation? If not, why not?

Answer. I believe that we must do everything we can to facilitate the rapid and responsible relocation of Federal users, including instituting reasonable timelines that properly account for the specific agency operations and missions upon which taxpayers rely. If confirmed, I am committed to working with NTIA and other Fed-

eral agencies to ensure that we move as aggressively as possible to achieve the President's goal of freeing up spectrum for wireless broadband use.

Question 2b. The process in S. 522 provides for OMB to issue waivers, if justified, on an annual basis. Why does the Administration believe this process does not provide adequate flexibility for Federal agencies? Please be specific about agency or system concerns which have been raised with the *National Telecommunications and Information Administration* (NTIA), which is supposed to be managing all Federal spectrum users. If you believe an annual review process is too difficult for Federal agencies and for NTIA, please provide an alternative proposal for ensuring agencies will adhere to reasonable timelines in their relocation plans.

Answer. This is certainly an important matter concerning Federal spectrum management. However, I am not yet sufficiently informed to provide a full answer to this question. As described above, I am committed to rapidly and responsibly relocating Federal users to free up additional spectrum for wireless broadband use.

Question 2c. Another critical element of S. 522 is to encourage greater transparency in the relocation plans of Federal users who are vacating spectrum. The Warner-Wicker bill directs NTIA, in consultation with OMB and the Department of Defense, to adopt regulations within 180 days of the bill's enactment to ensure publicly released information contains no sensitive or classified information. Both Senator Wicker and I are sensitive to concerns about appropriate protection of classified information, but we also believe the public should have reasonable knowledge of spectrum transition plans. What is the Administration's concern with this approach? Please be specific about any other recommendations for an alternative proposal regarding the scope of information the public can expect to receive.

Answer. I believe that the public should have reasonable information regarding the agencies' intended transition plans while protecting information that is classified or otherwise legally excluded from public release. If confirmed, I will work closely with the NTIA and the Congress to ensure that we maximize the amount of information to the public while providing every appropriate protection for sensitive or classified information.

Question 2d. The Administration has raised concerns about the bill's dispute resolution process, which would rely on a three-member dispute resolution board comprised of OMB (the chair), NTIA, and the FCC. I believe that establishing such a process is necessary to avoid the kind of years-long delay that in some instances accompanied prior reallocations. In the absence of such an entity, disputes are subject to often protracted negotiations with the affected agency rather than the review of impartial government experts. I am told the Administration does not believe the FCC should be part of the review process. As the entity responsible for oversight of commercial licensees, do you believe the FCC should be included in the dispute resolution process in order to avoid protracted disputes between licensees and current users? If not, why not?

Answer. Again, I am not yet sufficiently well-informed to provide a direct answer to this question. If confirmed, I commit to developing that deeper understanding and I will work with Congress, the NTIA and the appropriate Federal agencies on the issue of dispute resolution to ensure that we can maintain and build on the strengths of the existing system while at the same time being open to adopting improvements.

Question 2e. The bill also requires that a Federal entity's relocation plan must provide for sharing and coordination of eligible frequencies with commercial licensees during the transition period. Each plan must include a presumption that commercial licensees shall be able to use eligible frequencies during the transition period in geographic areas where the Federal entity does not utilize those frequencies. Many Federal users utilize spectrum only in discrete geographic areas of the country. I am concerned that leaving sharing wholly to the discretion of the Federal user is apt to result in no sharing during the process. Does the Administration oppose spectrum sharing during the relocation transition process in areas where it is possible to share spectrum without creating interference to the Federal user during this transition?

Answer. If confirmed, the Department of Commerce under my leadership will continue to support efforts by commercial providers to use spectrum as soon as possible. I am committed to taking all appropriate steps to expedite the efficient and responsible relocation of Federal users to fulfill President Obama's goal of freeing 500 MHz of spectrum for wireless broadband use.

Question 2f. The Administration has expressed concern that the Warner-Wicker bill does not permit Federal users to use money from the Spectrum Relocation Fund for upfront (pre-auction) planning and R&D. I would note that S. 911 which was recently favorably considered by the Committee expands the definition of costs eligi-

ble for reimbursement to include planning for potential or planned auction; and the costs of acquiring “state-of-the-art” replacement systems that may include “incidental increases in functionality,” including those necessary to achieve security, reliability and resiliency. Do these provisions address this concern?

Answer. I am not privy yet to the views of the Administration on this legislation. However, if confirmed, I will look into this matter and work with NTIA on matters which affect Federal users of spectrum.

Question 2g. Does the Administration have any reason to believe the combination of access to forward-planning funding and process improvements for spectrum relocation will harm taxpayers or Federal agencies?

Answer. I am not yet privy to the views or deliberations of the Administration or of the Department of Commerce on the specific spectrum relocation and am not yet sufficiently knowledgeable to provide a firm answer to this question. If confirmed, I pledge to work with the Congress to ensure that updates to spectrum laws and policy include consideration of funding for upfront planning costs and process improvement.

Question 3. Nearly one year ago today, President Obama signed a Presidential memorandum that committed the Federal Government to a sustained effort aimed at making available 500 MHz of Federal and commercial spectrum over the next 10 years. It is clear that any realistic strategy targeted at meeting the broadband deployment objectives outlined by the Administration, Congress and the FCC must include additional licensed spectrum allocations below 3 GHz for commercial use. Unfortunately, to date NTIA has recommended that only 15 MHz of spectrum below 3 GHz be reallocated for commercial use. This is clearly not enough to get the job done. If the Administration truly is serious about promoting commercial broadband deployment and stimulating the economy, then the FCC and NTIA have to focus on internationally-harmonized spectrum allocations of sufficient size for mobile broadband use.

Among the government bands most often identified as ideal for reallocation is 1755–1850 MHz, particularly the portion of the band between 1755–1780 MHz. This spectrum is immediately adjacent to spectrum already used for commercial advanced wireless services and is allocated globally for this purpose. In the 2010 National Broadband Plan, the FCC called on NTIA to complete its evaluation of the prospects for reallocating this spectrum by October 2010, but NTIA is still conducting its evaluation. When can we expect that evaluation to be complete? What are the prospects for reallocating this spectrum by January 2014? If not, why not?

Answer. It is my understanding that the Department, particularly the NTIA, has been hard at work implementing the President’s goal of freeing up 500 MHz of spectrum for wireless broadband use. If confirmed, I will be committed to fulfilling the President’s spectrum relocation goals as quickly and responsibly as possible.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK BEGICH TO
JOHN BRYSON

Question 1. Some lawmakers and the fishing industry in general have raised concerns with the nominee’s past work with the Natural Resources Defense Council and actions taken by the Council since then. How does Mr. Bryson respond to these concerns?

Answer. In my last year of law school, 1968–69, a small group of my classmates and I were drawn to try to use our developing skills to contribute to making our country cleaner and healthier, founding the Natural Resources Defense Council (NRDC). I have not been involved with the Natural Resources Defense Council’s policymaking or decisions for 37 years. A lot has happened in the decades since I helped found this organization. I practiced law and headed two independent state agencies: California’s Water Resources Control Board and its utilities commission. In 1984, I joined Southern California Edison (SCE). Six years later, I was made SCE’s and its parent company’s, Edison International, Chairman and CEO. In nearly two decades as CEO, I did what was right for our customers and shareholders, not the NRDC. If confirmed as Commerce Secretary, I’ll do what’s right for a new set of shareholders—the American people.

Question 2. In Alaska, our fishing fleets understand that to remain a viable industry in the long-term, we have to manage the resource with an eye to the future. While catching more fish today can bring short-term jobs and profits, there can also be a long-term economic cost. How do you plan to balance the need for jobs today with the desire for our fishing industries to be a viable, sustainable provider of jobs over the long-haul?

Answer. NOAA and the fishing industry share a goal of ensuring there is a healthy and sustainable fishing industry in the future. To ensure such an industry exists, we must work together to ensure that the resources on which the fishing industry depends are healthy and used sustainably. Constant improvements to fisheries science are needed to ensure that fishing communities get the greatest fishing opportunity possible within sustainable levels. If confirmed, I will work diligently with NOAA to ensure that NMFS' actions are based on the best available science so that we keep and create as many jobs as possible in the industry.

Question 3. When fishermen ask to consider the "economic impacts" of NOAA's regulatory actions and fishing restrictions, what economic time-frame do you think is most important? The short-term or the long-term?

Answer. Fishermen need to be able to fish now to sustain the needs of their families and they need to know that they can invest in and rely upon a secure fishing future as well, so both time frames must be taken carefully into account in making NOAA's important judgments.

Question 4. The Magnuson-Stevens Act reauthorization in 2006 included several important provisions which were intended to eliminate overfishing and improve overall fisheries management. While much progress has been made, NOAA has struggled to meet these requirements in some areas. Recreational interests complain this has resulted in considerable hardship for their businesses. What can be done to address these issues to allow the agency to fulfill its obligations as envisioned by Congress without unnecessarily taking the public off the water?

Answer. It is important that NOAA carry out its Magnuson-Stevens Act responsibilities based on sound science and sound exercise of judgment to sustain healthy fish stocks and a healthy and profitable fishing industry. If confirmed, I will ensure NOAA invests its resources in a manner that fulfills its obligations and sustains our Nation's commercial and recreational fishing businesses.

Question 5. How will the Commerce Department improve relationships in rural areas when some may feel overlooked in these constrained budget times?

Answer. A healthy American economy depends on a prosperous rural America. Rural America is the main source of our food and water, and plays an increasingly important role in moving toward greater energy independence for our country by supporting a growing clean energy industry. But today, too many rural areas suffer from lower incomes and higher poverty rates than the rest of the country. To win the future for our nation, we need to help strengthen economies in rural America.

If confirmed, I will participate in the President's efforts to address rural challenges. I understand that the President recently issued an Executive Order creating a White House Rural Council. If confirmed, I will participate with an eye toward job creation and ensuring Federal investments in rural communities create maximum benefit for Americans in rural communities.

Question 6. How will the Commerce Department work with Tribal Nations to improve economic stability and trade with foreign nations?

Answer. Sovereign Indian nations have an important ability to attract and facilitate trade and tourism with foreign nations. If confirmed, I will work to ensure the Department of Commerce continues to utilize the regional resources of the International Trade Administration to expose Native producers to foreign markets, leverage foreign trade zones, and create introductions between foreign trade opportunities and Native businesses with events both here in the U.S. and in foreign countries. The Minority Business Development Agency Minority Enterprise Centers and Native American Business Enterprise Center offices help these Native businesses scale to capacities and access to capital. The export of Native American cultural arts and crafts can be directly correlated to tourism, in turn drawing international tourists to Native American Indian Reservations for cultural, entertainment and hospitality, and experiencing all that these reservations have to offer. Bringing these "outside" dollars into Indian Country is key to growing and stabilizing their local economies.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. OLYMPIA J. SNOWE TO
JOHN BRYSON

Question 1. The American manufacturing sector, like the rest of the American economy, was hit hard by the latest recession. But as a result of a confluence of events, U.S. manufacturers have been on an uneven playing field when it comes to competing with the rest of the world since before the recent economic downturn. Specifically, rising health care and energy costs, compliance with myriad regulations, and high tort litigation costs are placing American manufacturers at a strong

disadvantage. As an anecdote, the U.S. corporate tax rate remains by and large unchanged over the past two decades, while major competitors have lowered theirs. These so called external costs, according to the National Association of Manufacturers (NAM), have resulted in a nearly 18 percent disadvantage for U.S. manufacturing firms when compared with similar costs for nine of America's major trading partners. It is no wonder, then, that manufacturing in May grew at the slowest pace in 20 months, and it has lost over six million jobs—or roughly one-third of its employment—over the past decade.

Despite these challenges, there can be no doubt that manufacturing is essential to our Nation's future. In 2008, U.S. manufacturing generated \$1.64 trillion worth of goods, meaning that if it were a country, it would be the eighth largest economy in the world. Furthermore, the United States is the world's largest manufacturing economy, as it produces 21 percent of all global manufactured products. American manufacturing is responsible for 12 million American jobs directly, and another 6.6 million indirectly, for a total of one in six private sector jobs. And U.S. manufacturing employees have notably higher annual earnings and are recognized as the most productive workers in the world. According to the Manufacturers Association of Maine, workers in my home state's manufacturing sector earn almost \$1,000 per month more than their counterparts in other sectors, and they have increased output per employee by 66 percent over the past 8 years—from \$60,000 in 2001 to \$89,000 in 2009.

If confirmed, what specific steps will you take as Secretary of Commerce to strengthen the position of American manufacturers in the global economy, so that they can create jobs and opportunity here at home?

Answer. Without a doubt, domestic manufacturing production is vitally important to the United States and our economy. The manufacturing sector continues to be a key driver of economic productivity—generating 11 percent of total U.S. GDP, contributing 86 percent of all U.S. merchandise exports, and employing over 11 million American workers at wages that are 22 percent higher than average compensation. If confirmed, I will pursue several initiatives as Secretary to enable domestic manufacturers to grow and be more competitive.

First, I will focus on expanding exports of U.S. goods and services through the National Export Initiative with a goal of doubling our exports by the end of 2014. To accomplish this goal, we must enforce our trade laws to provide a fair and level playing field for U.S. firms and workers, as well as maximize opportunities to expand market access abroad for U.S. manufacturers through direct advocacy and removing barriers to trade. Further, we must implement the pending trade agreements with Panama, Colombia and South Korea, which will benefit U.S. manufacturers and workers. Under the leadership of President Obama and Secretary Locke, the Commerce Department has achieved progress on these efforts and, if confirmed, I will continue to make exports a high priority of the Department.

Second, I believe the Commerce Department must prioritize key investments in programs that enable manufacturers to be more innovative at home and competitive abroad. The President believes in making investments that we need to grow the economy and create jobs, such as investments in advanced technologies that will provide U.S. manufacturers with the cutting edge tools they need to compete against countries like China. These technologies can both revitalize existing manufacturing industries and support the development of new products in emerging industries. For example, I understand that the Department's FY2012 budget proposes new investments for research and development at NIST to help create industries and jobs of the future in areas such as clean energy, advanced manufacturing and nanotechnology. Further, the budget request calls for an increase in funding for the Hollings' Manufacturing Extension Partnership which helps firms make their manufacturing process more efficient and gain access in new markets. If confirmed, I will place a priority on programs in the Commerce Department that benefit American manufacturers and work with Congress to approve needed funding.

Finally, if confirmed, I will advocate for President Obama's initiatives to reform our corporate tax code and eliminate or modernize outdated Federal regulations, both of which will benefit U.S. manufacturers. I believe President Obama's call to achieve corporate tax reform that lowers the corporate tax rate without increasing the deficit by closing special interest loopholes and his proposal to expand and make permanent the Research and Experimentation Tax Credit will provide a boost to our economy. Further, I believe we should review existing Federal regulations to eliminate unneeded and unnecessary burdens on businesses which will enable U.S. firms to be more competitive in the global marketplace.

I am optimistic about the future of manufacturing in the United States. I believe the marketplace provides many opportunities for U.S. manufacturing firms both today and in the future. The Commerce Department is an important partner in

helping domestic manufacturers achieve success. If confirmed, I would look forward to working closely with you and your colleagues in Congress to implement policies and reforms that help U.S. manufacturers to compete and succeed.

Question 2. Additionally, the Manufacturing Extension Partnership (MEP) is a successful public-private partnership housed at the Department of Commerce that assists small- and medium-sized manufacturers with technical assistance projects, training, and long-term strategic support. However, because of the current cost-share structure, MEP centers face a two-thirds match requirement after the third year of operation. That means that for every dollar a state MEP center receives, it must match that dollar with an additional two dollars.

While it has always been a difficult burden in the past for MEP centers to satisfy the high cost share requirements, it is even more difficult now in this trying economy. This leaves MEP centers spending an increasing amount of time fundraising and less time focused on providing services to America's small manufacturers. That is why I introduced legislation last Congress to reduce the requirement to 50 percent, a much-needed step that will provide relief to these centers that have a significant impact in aiding thousands of small and medium sized manufacturers nationwide. While this legislation did not pass, the *America COMPETES Reauthorization Act* contains a provision I helped craft requiring the Government Accountability Office (GAO) to report on changes to the cost-share requirement within 90 days of the bill's passage, given the timeliness of the issue.

In the MEP's July 2010 report titled "Renewing the U.S. Commitment to a Strong Manufacturing Base," one of the ways listed to "leverage and maximize the Federal investment" in the program is reducing the cost-share requirement. Additionally, the aforementioned GAO report offered "factors for consideration" for the Secretary of Commerce to employ when making this statutorily required change. Will you, if confirmed as Secretary of Commerce, commit to working with me and my colleagues to reduce the MEP's cost-share requirement?

Answer. If confirmed, I will put a priority on looking into the issue of the Manufacturing Extension Partnership program's cost share requirements. I do not know enough about this issue, at this time, to commit now to reducing those cost-share requirements. However, if confirmed, I do commit to getting back to you and others on the Committee with what I find and believe to be practically possible with respect to this issue.

Question 3. Manufacturers and workers in trade-sensitive industries—such as paper production in Maine—feel that the Yuan is significantly undervalued, making Chinese imports artificially cheaper vis-à-vis competing U.S. goods. As a result, according to the independent Economic Policy Institute, since China joined the WTO in 2001, 2.4 million jobs have been lost or displaced in the U.S.—including nearly 10,000 in my home state, which has been absolutely devastating. For years I have been concerned that the Treasury and Commerce Departments have refused to investigate the undervaluation of foreign currency.

In 2006 and again in 2007, Federal Reserve Chairman Ben Bernanke took the position that China's currency manipulation provides "an effective subsidy for Chinese exporters." Do you generally agree with this statement? Do you think it's worth having our government at least look into this question and determine whether or not cases of currency undervaluation violate WTO rules?

Answer. It is my understanding that the Department of the Treasury considers on a semiannual basis whether a country should be deemed a currency manipulator. It also my understanding that it is a high priority for the Treasury, working through the G-20, the IMF and through direct bilateral discussions to encourage policies that will produce greater exchange rate flexibility.

The Commerce Department must evaluate all subsidy allegations separately according to the evidence presented as part of its quasi-judicial process. If confirmed, I will promote the strong enforcement of our trade laws, including the U.S. anti-dumping and countervailing duty laws.

Question 4. To date the Commerce Department—which regularly investigates and imposes tariffs on imported products that benefit from foreign government subsidies in violation of our trade rules—has refused to even *initiate* an investigation into whether China's currency practices constitute an illegal export subsidy. In February, I introduced S. 328, the "Currency Reform for Fair Trade Act" to require Commerce to at least initiate an investigation—on a case by case basis—into whether currency undervaluation constitutes a prohibited export subsidy. My bill mirrors legislation (H.R. 2378) that passed the House last September by broad, bipartisan margins. Do you support this approach?

Answer. I regret that I am not yet familiar with your legislation. However, strong enforcement of the trade laws is a priority for me, and if confirmed, I would look forward to the opportunity to discuss this issue with you and learn more about it.

Question 5. The U.S. has run an advanced technology deficit every month since June 2002, meaning we consistently import more advanced technology than we export. *For 2010, our advanced technology deficit totaled an astounding \$80.8 billion.* And one of the most significant technology gaps related to this deficit is with information and communications technologies (ICT)—for the month of April 2011 alone, we imported over \$9 billion more in ICT products and services than we exported.

This deficit weakens the Nation's 21st Century high-tech job market, the long term health of our economy, and our ability to remain competitive globally. *For example, the Bureau of Labor Statistics estimates that employment in Computer and Electronic Product sector is expected to decline 19 percent over the 2008–2018 period.*

Also, the National Science Board's 2010 Digest on Key Science and Engineering Indicators noted that while the "United States holds a preeminent position in science and engineering . . . Many other nations have increased their R&D and education spending. This trend will challenge the world leadership role of the United States." *As evidence, while our country's investment in R&D has grown at an annual rate of about 6 percent between 1996 and 2007, China's R&D investment grew by over 20 percent annually during the same time.* But most critical is the fact that investment in basic research has notably declined over the past decade—*Federal Reserve Chairman Ben Bernanke recently voiced his concern about the downward trend and its impact on economic growth.*

Given that part of the Commerce Department's mission is to foster innovation and spur research and development (R&D) investment to create jobs and enhance economic development, what specific efforts would you implement as Commerce Secretary to reverse these trends? This is critical, because addressing these deficits would mean, in the long-term, more high-tech jobs and a more stable economy, which is vital to maintaining our competitiveness in this global economy.

Answer. Given the current budget environment, I think the approach taken by the President in the recently launched "Advanced Manufacturing Partnership" (AMP) is the correct one. The AMP is a national effort bringing together industry, universities, and the Federal Government to invest in the emerging technologies that will create high quality manufacturing jobs and enhance our global competitiveness. The U.S. Government has had a long history of partnership with companies and universities in developing and commercializing the new technologies that have been the foundation of our economic success—from the telephone, to the microwave, to the jet engine, to the Internet. The Commerce Department can play an important role in working with leading universities and companies to leverage Federal resources to help spur innovation. As I understand it, one of the initiatives highlighted in the President's announcement is a Commerce Department initiative that is aimed directly at research and development—the development of an advanced manufacturing technology consortium to identify public/private partnerships to tackle barriers to the development of new products.

Question 6. As you know, I am the Ranking Member of the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard. Commercial fishing interests are committed participants in Maine's marine resource management, and critical to my state's economic success.

Leading fisheries scientists agree that U.S. fishermen, subject to the Magnuson-Stevens Act, are among the most heavily regulated in the world. As a result, depleted resources are rebuilding, but not without economic costs in the interim. In Maine alone, 23 percent of the crew positions in the groundfish fishery have been lost. NOAA reports that revenues are up, but clearly our work is not yet complete.

Recently, NOAA issued an independent report reviewing the New England Management Process, which concluded that "many industry members feel that NMFS no longer has any focus on economic growth of the industry." The Department of Commerce's mission is to promote economic growth, while a key mission of its largest agency, the National Oceanic and Atmospheric Administration, is the conservation and management of marine resources.

How would you address the concerns of the fishing industry, who believe that the Department of Commerce has worked against them rather than worked to support them? How do you propose to reconcile these distinct and potentially conflicting missions in order to create jobs in the seafood supply chain?

Answer. In the meetings I have had with you and with other Senators from New England, I have learned that there is great concern about conflicts between maintaining the traditional commercial fishing base and heritage in the region and what NOAA, based on its considerable scientific research, believes is necessary to sus-

taining the fishery base there in the years and decades ahead. Despite this conflict, as I understand it, both NOAA and the fishing industry share a goal of ensuring there is a healthy and sustainable fishing industry both in the near term and in the decades ahead. If confirmed, I will work with NOAA to support the seafood industry and supply chain. I would look forward to working with you, the Committee, and NOAA to explore options to promote U.S. seafood through activities such as aquaculture development, U.S. seafood trade promotion, cooperative research for fisheries management, and fighting seafood fraud.

Question 7. Mr. Bryson, the iconic groundfish fleet in Maine has had a difficult transition this year to a *catch share program*—the sector management system—where groups of fishermen have been allocated a certain amount of fish to harvest as a group. While there have been some positive signs from the first year of this dramatic regime shift, there is still a great deal of work to be done in order to make this system more efficient and cost-effective.

Of particular concern to the sectors based in Maine is the high cost of at-sea monitoring. Monitoring is critical for accurate assessment and enforcement, but as the program is currently administered by the National Marine Fisheries Service, it is also very expensive. Fishermen in the New England Sector program may have to pay as much as double the cost for at-sea monitoring on the west coast due to differences in the way the fisheries are prosecuted. In 2012, the New England fleet will have to absorb this expense if Federal resources are unavailable and vessel owners are concerned that this cost will be too much to bear.

In this difficult fiscal climate, I hope that, if you are confirmed, your leadership of the Department of Commerce will include finding creative solutions to reduce costs imposed on the private sector by our regulatory system so that businesses can thrive. The fishermen in Maine are thinking ahead, and are participating in the development of electronic monitoring tools to eliminate the need for human observers.

Given the high costs that are often associated with meeting regulatory requirements, how would you foster and support this type of innovative, cost-saving technology, in heavily-regulated industries such as the fishing industry?

Answer. Throughout my business career, I have supported searching out innovative, cost saving technology and adopting the most effective delivery practices to bring the excellent service and products to customers and the public. If confirmed, I look forward to working with NOAA to see where they can successfully bring those concepts to the struggling fishing industry. I also would look forward to working with the fishing industry, you, and the Committee to hear ideas in this area.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JIM DEMINT TO
JOHN BRYSON

Question 1. Mr. Bryson, in your prepared statement, you write, “The American people expect their government to do more with less.” The President’s 2012 budget request for the Commerce Department—excluding the Census Bureau and Patent and Trademark Office (PTO)—is more than 20 percent higher than 2009 enacted levels. If confirmed, will you commit to delivering a budget request to this committee next year that reduces FY13 Department of Commerce spending, not including the Census Bureau and PTO, to FY09 levels? What specific cuts will you make?

Answer. As you know, work has already begun on the FY13 budget. I look forward to being confirmed as soon as possible so I can immediately engage in that process. I am very committed to reducing expenditures; however, I would like to be able to take a deep look at the budget before I provide specific examples on where cuts should be made. I will be happy to discuss Commerce’s budget with you further if I am confirmed.

Question 2. In your prepared statement, you write, “I’m committed to helping simplify regulations that are difficult to understand, eliminate regulations that are ineffective and speed up regulatory decisions so American businesses can have the certainty they need.” Do you have any specific examples of regulations within the Department of Commerce’s jurisdiction that you will eliminate? If not, will you commit to providing such examples to this committee within 90 days, if you are confirmed?

Answer. Yes, if confirmed, I will provide the Committee examples within 90 days. As a former utility company executive, I am familiar with the complexities and challenges of complying with a myriad of state and Federal regulatory requirements. I agree with the President that Federal agencies need to review existing regulations and modernize or eliminate regulations which are outdated. I believe we can fulfill our responsibility to protect health and safety while promoting job growth and innovation. If confirmed, I will work to ensure the Commerce Department lives up to this directive. Moreover, I will be a voice in the Administration for simplifying regu-

lations that are difficult to understand and eliminating regulations that are unnecessary.

As you know, regulations promulgated by the Commerce Department are largely on export control items within the Bureau of Industry and Security and fishery regulations issued by NOAA and written, in accordance with the Magnuson-Stevens Act, in conjunction with the regional fishery management councils. I understand that these regulations are under review and I was pleased to learn that the Commerce Department's Bureau of Industry and Security (BIS) is working to streamline their regulatory processes in order to strengthen our national security and make American companies more competitive abroad. If confirmed, I will work to ensure all bureaus in the Department of Commerce are taking steps to minimize their regulatory burden without undermining their responsibility to safeguard the health and safety of the American people.

Question 3. You mention President Obama's goal of doubling U.S. exports by the end of 2014. There is much talk about the benefits awaiting our economy and citizens upon passage or extension of Free Trade Agreements and Preferences, including those with Korea, Panama, and Colombia. In fact, the President himself says these agreements will create jobs in America. Unfortunately, his administration is holding these deals and their economic benefits hostage in order to further expand the welfare state, in this case through a massively expanded Trade Adjustment Assistance program. Do you believe more trade necessitates more welfare?

Answer. I support the pending trade agreements with South Korea, Colombia, and Panama, because they will open doors to American goods and services in those countries. We have the most open market in the world. We need trade agreements to give American companies access to overseas markets. I know the inclusion of Trade Adjustment Assistance is something the Administration and the Congress are discussing, but, as I am not confirmed, I am not part of those discussions. I believe these trade agreements are beneficial and should be enacted as quickly as possible, and I hope an agreement can be arrived at soon.

Question 4. You spent some time and made a great deal of money in the highly regulated energy industry. Do you believe it is important for America's economic expansion to have access to reliable and inexpensive domestic energy?

Answer. I do. If confirmed, I look forward to working with Energy Secretary Chu to achieve this goal.

Question 5. If confirmed, will you support any type of carbon tax or cap-and-trade scheme?

Answer. I believe most decisions on issues related to this type of energy policy would be made at the Department of Energy. However, if aspects of it come to my desk, I assure you that, if confirmed, I will always take into consideration the concerns and viewpoints of the business community. I will look forward to further engaging you on this important issue.

Question 6. Will you ensure that NOAA is not a hindrance to the development of domestic oil and gas supplies?

Answer. The President has pledged that by 2025, we will reduce our net oil imports by one-third. If confirmed, I would ensure the Commerce Department is helping to achieve that goal. The Commerce Department's role in domestic oil production is largely limited to consulting on the permits the Interior Department issues for drilling, as well as NOAA permits regarding the impacts on marine life as required by the Marine Mammal Protection Act and the Endangered Species Act. If confirmed, I will work to ensure the Commerce Department is responsive in evaluating requests for permits or consultations on behalf of domestic oil production.

Question 7. Mr. Bryson, you sat on Boeing's Board for more than a decade. As you are aware, the National Labor Relations Board (NLRB) has sued Boeing on the claim that building a production line in a right-to-work state, South Carolina, was retaliation against a union that repeatedly went on strike at their facilities in Washington. Do you believe this action by the NLRB will ultimately create more jobs in America, or increase American exports, or create a climate that encourages domestic business expansion?

Answer. As a member of Boeing's Board of Directors, I voted to locate the Boeing production facility in South Carolina because I believed that was the right decision for the company. If confirmed I would be recused from participating in matters in which Boeing is a party before the Federal Government for at least two years.

Question 8. As you know, consumer privacy and data security will continue to be closely examined by this committee. The rapid growth and dynamic nature of online commerce make our policy considerations especially complex and impactful. Do you believe that using personally identifiable information for the targeted marketing of

products and services to those who have demonstrated a possible interest should be outlawed unless an advance affirmative consent is obtained?

Answer. The Internet economy has sparked tremendous innovation, and the Internet is an essential platform for economic growth, domestically and globally. New technologies have enabled large-scale collection, analysis, and storage of personal information that is becoming vital to this economy, but also creates risks to individual privacy. Privacy is a key ingredient for sustaining consumer trust, which in turn is critical to realize the full potential for innovation and the growth of the Internet. I have not yet engaged in the very specific question you raise about targeted marketing, but I understand that the Department of Commerce has been hard at work engaging stakeholders to identify ways to strengthen consumer privacy while also promoting innovation. If confirmed, I will continue the work of the Department's Internet Policy Task Force and work with regulatory and enforcement agencies such as the FTC to develop a mutually acceptable solution.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. ROGER F. WICKER TO
JOHN BRYSON

Question 1. You have been a strong proponent of cap-and-trade and other renewable energy initiatives. The Natural Resources Defense Council, which you helped found, has called for additional environmental restrictions prior to the resumption of drilling following the BP oil spill. The use of alternative and renewable energy is an important component of diversifying our future energy supply. However, we must also fully utilize the oil and gas resources that are domestically available in order to reduce our dependence on foreign oil, create jobs, and contribute to the national economy. How will you foster the development of domestic oil production in order to reduce our dependence on foreign oil?

Answer. As a former CEO of a major utility company, I am familiar with the challenges of meeting the growing demand for energy in the modern world. Without a doubt, we must safely and efficiently utilize our existing domestic energy resources, such as coal and petroleum, to meet the demand for energy and fuel today and reduce our dependence on foreign oil.

If confirmed, I will work to ensure the Commerce Department is responsive in evaluating requests for permits or consultations on behalf of domestic oil production. If confirmed I will also work to focus the resources of the Commerce Department on tapping the full economic potential of the clean energy sector to help meet our energy needs in the future and create good paying jobs here at home.

Question 2. American jobs and economic growth are influenced by our ability to enter into trade agreements with foreign countries. These trade agreements ensure that U.S. products efficiently enter foreign markets and can enjoy a competitive advantage over other countries. We also need to ensure that domestic products remain competitive in the U.S. against foreign imports. What are your plans to foster economic development and job growth in the area of foreign trade?

Answer. I agree that American jobs and economic growth are strongly influenced by the health of U.S. exports. If confirmed as Secretary of Commerce, I will make doubling U.S. exports by the end of 2014 as laid out in the President's National Export Initiative a top priority. I support the pending trade agreements with South Korea, Colombia, and Panama, because they will open doors to American goods and services in those countries.

If confirmed, I would also seek to expand the breadth and depth of the U.S. exporter base. Today, only 1 percent of U.S. companies export and, of that 1 percent, 58 percent export to only one market. I would work to strengthen our efforts to educate U.S. companies about exporting opportunities, connect them directly to foreign buyers, and address trade barriers they encounter overseas.

In addition, if confirmed, I would prioritize the role that the Department of Commerce plays in supporting the implementation and monitoring of trade agreements to ensure U.S. businesses and workers reap the benefits, and in enforcing our existing trade laws to ensure a level playing field for American companies and workers. Additionally, if confirmed, I would continue to make certain that Commerce provides quality economic and statistical information about trade agreements and their impacts on the U.S. economy.

Question 3. How will you improve the competitiveness of domestic products in both international and national markets?

Answer. The Department of Commerce has the expertise to help U.S. manufacturing and service industries sustain and maintain their competitiveness internationally, as well as encourage the development of innovative products and services. If confirmed, I will ensure that the Department acts strategically to increase

trade and investment in the United States, as well as encourages the development of innovative products and services.

I understand that the Department must leverage opportunities where U.S. industries are currently competitive, focus sharply on where we can significantly increase the volume and value of our exports that support U.S. jobs, and measure what we achieve. This strategic approach must be data-driven and based on the astute development and implementation of domestic and international policies in coordination with relevant U.S. agencies and input from U.S. industry and other stakeholders.

If confirmed, I will advocate for U.S. industries in the global market place, work to remove trade barriers and enforce trade rules strenuously, and reduce unnecessary regulatory burdens on U.S. companies. I would also actively promote exports of U.S. goods and services that support U.S. jobs. Finally, I think there could be value in working with U.S. companies to assist them in adapting their operations to meet the demands, not only of the U.S. market, but potentially attractive markets outside the U.S.

Question 4. An investigation of the National Marine Fisheries Service (NMFS) last year discovered that fishermen in the Northeast were subject to excessive fines and other inconsistencies. Last month, current Commerce Secretary Locke returned \$650,000 to the fishermen of that region as compensation for unfair penalties and an acknowledgment of wrong-doing toward the industry. How would you continue Secretary Locke's work to ensure consistency within the National Marine Fisheries Service?

Answer. Fishermen—commercial and recreational—are the lifeblood of many of our coastal communities. America's fishermen, many of them small businessmen, support vital jobs in our coastal communities. I have heard from people at the Commerce Department and read in the news of these unfortunate circumstances. An effective enforcement program ultimately protects the business interests of fishermen as well as the marine environment but it must be carried out with well understood disciplines, as is true in all forms of public enforcement work. I understand NMFS has implemented significant reforms to its enforcement program and, if confirmed, I pledge to provide continued leadership on this issue.

Question 5. While inconsistencies were identified in the Northeast region, the Gulf of Mexico fisheries management council has worked hard to develop policies that have broad support. How will you ensure that effective management practices are maintained?

Answer. I understand that NOAA implemented significant reforms to its enforcement program in order to increase transparency and strengthen public trust. If confirmed, I will work with NOAA to provide the leadership and oversight necessary to ensure enforcement reforms are maintained.

Question 6. On May 31, four conservation groups issued a 60 day notice of intent to sue Federal agencies regarding the unusually high number of sea turtle strandings in the Gulf of Mexico this year. The lawsuit claims that sea turtles are dying in shrimp nets due to a lack of NMFS enforcement for turtle excluder devices in shrimp trawler nets. The lawsuit recommends an emergency closure of the Gulf shrimp trawl fishery. This could have a devastating impact on fishermen who are struggling to recover from the Mississippi River flooding. What steps would you take to prevent the shrimp trawl fishery from closing due to these concerns?

Answer. If confirmed, I look forward to working with you, NOAA and the industry to quickly become versed in this issue and assist NOAA in balancing the protection of sea turtles and the health of the Gulf fishing industry.

Question 7. What is your record of financial contributions to the NRDC?

Answer. As I have shared previously, I helped found the NRDC out of law school and worked there for a little over four years. Since leaving NRDC in 1974, I have not had any ongoing functional role or association with them. At times, I have found that I disagree with some of NRDC's positions and found myself on the other side of the table when they opposed some of Edison's business initiatives.

Over the years, my wife and I have given money extensively to various charitable causes. We have donated to the NRDC periodically during the almost thirty-seven years since I last worked there. But the amounts that we have given to NRDC do not approach the amounts given to the most significant recipients of our charitable giving, which include the California Institute of Technology, Stanford Business School, Stanford School of Education, the Polytechnic School, and a variety of Los Angeles area non-profits.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHNNY ISAKSON TO
JOHN BRYSON

Question 1. Mr. Bryson, the widening of the Panama Canal is almost completed, the global fleet of post-Panamax size vessels are entering service, and U.S. ports do not have the infrastructure in place to support these vessels. As we discussed in my office the Savannah Harbor Expansion Project is underway with the ultimate goal of deepening Savannah Harbor to 48 feet in order to accommodate these vessels, and because of the unique nature of the authorization the Secretaries of the Army Corps of Engineers, Interior, Commerce, and the EPA Administrator have to sign off on the project.

Studies on SHEP have been going on for 10 years. As we also discussed in my office a sub-agency of Commerce, NOAA, is holding up the final approval because of their insistence that a dam that lies 187.3 miles upriver from Savannah and that provides water retention for the communities of Augusta, Georgia and Aiken, South Carolina be removed, against the wishes of the community I might add. This is in order to accommodate the passage of the blunt-nose sturgeon. I would also add that the other agencies have instead suggested that a fish ladder be put in place, but NOAA's recalcitrance on this matter is holding up the approval of the project. On April 15th I sent a letter to NOAA Administrator Dr. Lubchenco in which I made suggestions on possible alternatives to blowing up the dam, and asking for a speedy reconciliation on this matter. On June 17 I received the attached response, which really was a "non-response," which says they will continue to work toward a solution. It clear from her response, that a decision will only be made when directed to by the Secretary of Commerce. It is time for NOAA to stop filibustering, and time for them to go ahead and take a rather simple step or two to finalize a plan rather than continuing to "seek a solution."

Meanwhile, the longer we wait, the more our national port infrastructure will not be ready, and the more our exports and economy will suffer.

In your role as Commerce Secretary, you have the responsibility to balance environmental stewardship with economic development and promote exports and commerce. In your view, at what point is it appropriate for the Commerce Secretary to step in and direct NOAA to make a decision? If confirmed, what timeline can you give me for action on this issue?

Answer. I appreciated the conversation we had about this issue. I believe in timely action and responses on vital issues like this and clear communication with stakeholders if there are necessary delays. I have not been privy to intra-departmental information on this issue so it would be difficult to provide a timeline at this point. If confirmed, I will put a priority on this and will take a close look at NOAA's conclusions and why they have reached them and will get back to you as soon as I reasonably can.

Question 2. As a former member of the Board of Directors at Boeing, do you think Boeing is an ethical company who treats their employees well?

Answer. I strongly believe Boeing is an ethical company that treats its employees well.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. PATRICK J. TOOMEY TO
JOHN BRYSON

Question 1. Do you support government imposed limits on carbon dioxide emissions? Please explain the impact you believe such a policy would have on energy prices, jobs, and the economy generally.

Answer. I share the President's commitment to look for sensible means to address our Nation's energy challenges that support job creation and economic growth. As CEO of Edison International, I had the responsibility to ensure the long-term viability of the company to its shareholders and customers. Within the first year following my retirement, the company joined most other U.S. investor owner utilities in supporting the final House bill on carbon emissions. Businesses greatly value reasonable regulatory consistency and predictability. Many American companies—including Ford, Alcoa, DuPont, and Dow Chemical—all had the same position: that a market-driven approach to reducing carbon emissions made sense and offered valued predictability for the future. Companies like those make investments to serve their customers' needs and which their customers value. I think it is highly probable that each of those companies, at that time, had concluded that it was in the best interest of their respective businesses and the customers they served to have the draft legislation proposed (with whatever possible changes they thought might be possible prior to any final adoption) than the uncertainties that they saw then without sup-

port of the bill. Businesses need certainty, in terms of regulatory consistency and predictability. This kind of business certainty was important for an energy company like Edison to make the kind of investments required to grow and stay competitive, particularly the long term capital investments that create construction and other related jobs.

Question 2. Do you believe that the Federal Government should subsidize and/or mandate the use of renewable energy?

Answer. If confirmed as Commerce Secretary, I do not believe this type of energy policy would be within my purview at the Department of Commerce.

Question 3. What policies do you plan to implement to promote job creation, economic growth, and drive U.S. competitiveness in the global marketplace?

Answer. The President has said the recovery is not complete until every American who wants a job has one. If confirmed, my top priority will be to drive job creation by spurring economic growth. There is no single solution or silver bullet, but I believe we should focus on the following, each of which will play a distinct yet inter-related role in promoting job creation, expanding economic growth, and fostering American companies' competitiveness in the global economy:

- Expanding exports of U.S. goods and services through the National Export Initiative;
- Implementing pending trade agreements, which open markets for American businesses;
- Enforcing our trade laws to enable American firms to compete on a level playing field;
- Modernizing our government by eliminating needless regulatory burdens;
- Reforming our corporate tax code to ensure the United States remains an attractive place to do business;
- Promoting innovation that translates into business and job creation through strategic investments in research and development, speeding commercialization, and ensuring a strong, fast and sound patent system; and
- Strengthening manufacturing through partnerships between government, industry and academia.

Question 4. Do you believe the pending free trade agreements with Korea, Colombia, and Panama will create jobs and grow the economy in the United States?

Answer. Yes, I believe the pending trade agreements with South Korea, Colombia, and Panama are an important part of a comprehensive trade agenda that will spur economic growth, increase exports, and create jobs in the United States. We have the most open market in the world. We need trade agreements to give American companies access to overseas markets.

Question 5. What impact will FCC mandated open Internet rules ("net neutrality") on broadband service providers have on job creation and investment in the communications sector?

Answer. An open Internet is an integral component of our effort to advance American innovation, increase investment in the communications sector, and promote greater economic growth, and job creation. President Obama has pledged to preserve the free and open nature of the Internet while encouraging innovation, protecting consumer choice, and defending free speech. And he has committed that his Administration will remain vigilant and see to it that innovation is allowed to flourish, that consumers are protected from abuse, and that the democratic spirit of the Internet remains intact. I share his commitment and, if confirmed, look forward to working to ensure that the Internet remains an engine of economic growth and opportunity for the American people.

Question 6. There is currently a significant backlog of applications at the Patent and Trademark Office. It can take nearly 3 years for a patent to issue. What plans do you have to address this backlog?

Answer. It is my understanding that the PTO has developed a bold strategic plan to effectively address currently unacceptable levels of patent backlog and pendency. If confirmed, I will work with the PTO and the Congress to ensure that appropriate progress is being made in achieving the stated goals. An essential component of success is assurance that the PTO has access to all its fee collections to fund its operations.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARCO RUBIO TO
JOHN BRYSON

Question 1. Fisheries are a vitally important industry to the State of Florida. The fishing industry in Florida brings in \$12.8 billion annually. More than half of this (\$7.6 billion) is brought in by recreational fishing, supporting 131,000 jobs throughout the state. What is your vision for fisheries management in the United States?

Answer. I grew up in Oregon, where my family and I enjoyed recreational fishing off the coast and came to know something about the important commercial fishermen's businesses there. Moreover, I've heard from many friends of the wonderful fisheries off the Florida coastlines. As I understand their respective roles, NOAA and the fishing industry share a common goal—a future in which there are healthy fish stocks that support vibrant recreational and commercial fishing industries. To ensure that happens, NOAA's science must be sound and, for trust, it must also be transparent. Also, fair and transparent enforcement practices, including the recent reforms put in place must be consistently executed. If confirmed, I look forward to working with Congress, NOAA, the fishing industry and the fishery management councils to ensure that the public fishery management process continues to support that very important common goal.

Question 2. I understand that you supported a cap-and-trade program as it moved through Congress in 2009. There is a similar program in fisheries management called catch shares. What are your views on catch share programs? What role do you see for them in fishery management going forward?

Answer. As I understand it, catch share programs are one of many management tools at the disposal of fishery managers to sustainably manage fisheries. They show great success in some places, but are not the right tool for every situation. NOAA does not require their use, and I will not require their use, if confirmed.

Question 3. In the FY 2011 budget, the Administration transferred \$6 million from the cooperative research program to the national catch share program and an additional \$11.4 million from the fisheries research and management program to the national catch share program. Do you support this budget initiative?

Answer. I am not yet knowledgeable about the details of NOAA's budget and changes made in it in the past year. If confirmed I look forward to working with you with NOAA and other affected interests to understand the effects of these and other important budget changes.

Question 4. It is my view that more adequate data collection is necessary to improve fishery management programs, particularly in the Gulf of Mexico and South Atlantic. Are you willing to commit to work with my office and this Committee to make necessary improvements in data collection and stock assessments going forward?

Answer. Yes. I commit to work with your office and this Committee on this important subject, if confirmed. It is important that NOAA's science is robust and transparent to credibly and effectively sustain healthy fish stocks and fishing industries.

Question 5. As you know, Mr. Bryson, we are still waiting to receive the Colombia, Panama, and Korea free trade agreements from the Administration. In your view, how important is it to get these trade agreements enacted as quickly as possible?

Answer. The trade agreements with Colombia, Panama, and South Korea are an important element of a comprehensive trade agenda that will spur economic growth, increase exports, and create jobs in the United States. They will create significant new opportunities for American workers by opening the Colombian, Panamanian, and South Korean markets and reducing trade barriers. The sooner these agreements enter into force, the sooner these benefits can begin accruing to American workers, farmers, and businesses.

Question 6. The NTIA and Dept. of Commerce are responsible for overseeing the Federal Government's use of spectrum. There have been some questions about how Federal agencies are utilizing their spectrum—whether they are using it effectively and efficiently, whether they have too much spectrum, etc. If we are going to meet the President's wireless broadband goals, we must ensure that Federal licensees are using their spectrum effectively, and if they are not, the NTIA should look at other uses for that spectrum, including making it available for commercial providers. Do you agree that ensuring that spectrum is being used effectively should be a priority of the NTIA and Dept. of Commerce?

Answer. Given the positive impact of communications technologies on U.S. economic growth and job creation, we must optimize the efficient use of spectrum for the communications sector, including freeing up certain portions of the radio spectrum band that are currently used by Federal agencies.

Question 7. If federally licensed spectrum is not being used efficiently, will you work with the NTIA to look at alternative uses for the spectrum?

Answer. If confirmed, I will give high priority to implementing the President's plan to free up 500 MHz of spectrum—including spectrum currently used by Federal agencies. I also expect to work not only with NTIA, but also the FCC and other Federal agencies to the end of making additional spectrum available to commercial users who can make efficient use of it to advance our country's economy.

Question 8. Will you work with the NTIA to make the underutilized spectrum available for commercial providers?

Answer. If confirmed, I will work closely with NTIA to ensure that spectrum found to be underutilized by either commercial or Federal users is put to its best use, without jeopardizing the ability of Federal agencies to execute their missions and while ensuring Federal agencies have the resources they need to plan and carry out these tasks.

Question 9. Do you believe that underutilized spectrum should be made available to commercial providers to meet the goals of the National Broadband Plan?

Answer. The President's wireless initiative, which would nearly double the amount of spectrum currently available for commercial wireless broadband, is critical to delivering the benefits of broadband—including increased innovation, economic growth and job creation—to all of the country. As discussed above, if confirmed, I will work closely with NTIA to ensure that spectrum found to be underutilized by either commercial or Federal users is put to its best use. Broadband is key for opening up opportunities and markets for businesses and the job creation that comes with it.

Question 10. The wireless industry is facing a spectrum crunch due to exploding demand for devices like smart phones and tablets. Therefore, the wireless industry is asking to purchase spectrum for billions of dollars from the Federal Government and in return they will continue to invest in infrastructure, develop new and cool products and services and create jobs. This will also result in much needed funds for deficit reduction. The President's National Broadband Plan recommends that an additional 500 MHz of spectrum should be made available for commercial broadband over the next 10 years. Mr. Bryson, can you tell us how you will work with Federal Government users of spectrum to meet these National Broadband Plan recommendations?

Answer. I agree that the exponential growth of spectrum-dependent technologies and wireless devices, such as smartphones and iPads, is increasing faster than the amount of airwaves that are currently available to commercial wireless broadband providers. Moreover, given the positive impact of communications technologies on U.S. economic growth and job creation, we must optimize the efficient use of spectrum, including freeing up portions of the radio spectrum band that are currently used by Federal agencies. If confirmed, I will give high priority to working to ensure that the National Telecommunications and Information Administration (NTIA), in conjunction with the Federal Communications Commission, meets the President's goal of identifying 500 MHz of commercial and Federal spectrum that can be reallocated for commercial wireless broadband use over the next 10 years.

Question 11. If confirmed, you will play a vital role—through the U.S. Patent and Trademark Office—in the protection of intellectual property. Ideas, inventions, and creative expressions are being stolen every day, including everything from trade secrets and patents to movies, music, and software. And the threat is growing because of the rise of digital technologies and Internet file sharing.

Adding to this problem is the fact that much of the theft takes place overseas, where our ability to seek justice is limited. All told, intellectual property theft costs U.S. businesses billions of dollars a year, and robs the Nation of jobs and lost tax revenues, and undermines our competitiveness. If confirmed, will you make the protection of American intellectual property a priority as Secretary?

Answer. Should I be confirmed, I will ensure that the domestic and international protection and enforcement of intellectual property rights will continue to be a high priority at the Department of Commerce.

Question 12. What are your views on protecting intellectual property?

Answer. The effective protection and enforcement of intellectual property in the U.S. and abroad is critical to promoting innovation, economic growth and the creation of jobs. Accordingly, I believe that it must remain a high priority at the Department.

Question 13. With more than 95 percent of the world's customers living outside of the United States, I believe it is essential to America's continued competitiveness and export growth that the administration advance the conclusion and implementa-

tion of robust trade agreements that include strong intellectual property provisions that protect America's creations and innovations. Can you assure me that, if confirmed, you will make it a top priority to work with USTR and other agencies and departments to ensure the Trans-Pacific Partnership Agreement (TPP) includes modern IP provisions that are at least as ambitious as those contained in the recently finalized U.S.-Korea Free Trade Agreement (KORUS) agreement?

Answer. The Department of Commerce, through its Patent and Trademark Office and the International Trade Administration, works closely with the USTR and other agencies on the necessary inclusion of robust intellectual property provisions in international trade agreements. If confirmed, I assure the Committee that the Department's role in seeking modern IP provisions in international trade agreements will continue.

Question 14. As you know, intellectual property theft is costing U.S. businesses billions of dollars per year. In recent years, much of this illegal activity has moved to the Internet where rogue websites currently profit by offering illegal copies and streams of copyrighted content and selling counterfeit products. Not only do these rogue websites threaten Florida businesses in the innovative and creative sectors, but my state's large senior population is also particularly vulnerable to being tricked by Internet crooks who often sell counterfeit products—including potentially dangerous, fake medications. There is no reason the United States should continue to endure the theft of its most creative and innovative products, which is why I recently became a cosponsor of bipartisan legislation that would help cut off these websites from revenue streams and support services they rely upon in the U.S. marketplace. Will you commit that under your leadership the Department will take a close look at this problem and work with Congress on legislative solutions?

Answer. I am certainly aware of the extreme harm caused by illicit websites that peddle counterfeit and pirated products. This theft of IP stifles innovation and creativity, threatens U.S. businesses and jobs, and poses health and safety risks to our consumers. If confirmed, I look forward to working with the Congress to develop effective legislative solutions to this serious problem.

Question 15. Last year the \$759 billion travel industry generated a total of \$1.8 trillion in total economic output. Analysis shows that if the U.S. recaptured its historic share of worldwide overseas—or long-haul—travel by 2015 and maintained that share through 2020, it would add nearly \$100 billion to the economy over the next decade and create nearly 700,000 more U.S. jobs. Increasing America's share of worldwide long-haul travel is a no-brainer and, with the right policies, should be relatively easy to do. And obviously tourism is an important economic engine in Florida. Last year, domestic and international travelers spent over \$70 billion in Florida—that's 10 percent of how much was spent in the U.S. last year. And, tourism accounts for over 750,000 jobs in my state.

In an op-ed in *The Wall Street Journal* on June 13, 2011, the Co-Chairs of the President's Jobs Council highlighted travel and tourism as a key economic sector of our economy that can deliver hundreds of thousands of jobs if actions are quickly taken to allow the U.S. to regain market share in the global travel market. One solution they highlighted was to make it more efficient to enter the U.S. through improved visa processes. While the Commerce Department does not have sole responsibility for ensuring the competitiveness of the U.S. travel and tourism industry, please give us your thoughts on what role you can play to identify and remove the barriers that have allowed our share of the overseas travel market to drop from 17 percent to 12 percent over the last 10 years.

Answer. From my time on the Board of Directors of the Walt Disney Company, I have focused on tourism in the Los Angeles metropolitan area and understand just how vital the industry tourism is to our economy. If confirmed, I will provide leadership to ensure the Tourism Policy Council is identifying the barriers that have allowed America's share of the overseas travel market to drop and see to it that a credible and sufficiently specific plan for reversing that trend is put in place and executed. I strongly believe in the importance of regaining our strength in tourism and the jobs that come with it.

Question 16. In order to ensure that the United States' national interest in travel and tourism was fully considered in Federal decisionmaking, Congress established the Tourism Policy Council. The Council, composed of the leaders of nine Federal agencies, is chaired by the Secretary of Commerce. By statute, the Council is required to submit an annual report to Congress on its activities and efforts to coordinate the policies and programs of member's agencies that have a significant effect on international travel and tourism yet such a report has not been consistently presented to Congress for review. If confirmed, will you commit to submitting this annual report as prescribed by statute?

Answer. If confirmed, I will make sure that the report is submitted to Congress before the end of this Fiscal Year to keep you apprised of the work of the Tourism Policy Council.

Question 17. Furthermore, engagement with the private sector and the general public is critical to the Tourism Policy Council's success. While the Tourism Policy Council is allowed to close a meeting to prevent the public disclosure of nonpublic information, it is not the intent of Congress to close all meetings off to the public. If confirmed, would you allow for open meetings of the Tourism Policy Council in order to ensure transparency and public engagement?

Answer. It is my understanding that the Tourism Policy Council currently conducts two principals meetings per year, led by the Secretary of Commerce. If confirmed, I will look into this issue further to better understand current practices and examine ways to open the meetings to the public as much as practicable. In addition, consideration should be given to engaging the travel and tourism industry's stakeholders in the Tourism Policy Council's working group meetings as appropriate.

Question 18. Some members of the Commerce Committee have expressed a need to improve the visa process in order to make the U.S. more competitive in the world travel market. We hear reports of companies losing business deals because they cannot get buyers into trade shows or into their office to purchase products as a result of delays in visa processing.

It seems that we should conduct an assessment of the impact the existing visa process is having on American businesses ability to grow exports. We should also seek to determine how many leisure and business travelers want to come to the United States but never bother to apply for a U.S. visa because they are deterred by delays in the process. If confirmed, would you seek to conduct this type of assessment and deliver a report to the President and Congress on the issue?

Answer. If confirmed, I would follow up promptly on this concern.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. KELLY AYOTTE TO
JOHN BRYSON

Question 1. New Hampshire epitomizes a small business state, and free trade is so important to our local economy. In fact, in 2010 alone, \$4.2 billion of merchandise was exported from New Hampshire, \$1.8 billion of which was to FTA partners. 14,489 jobs were directly supported by exports and we proudly have 104 exporting companies. There has been much debate and political posturing lately over Free Trade Agreements. Do you unconditionally support FTAs with Colombia, Panama and South Korea to get our economy back on its feet? Specifically, would you support FTAs without the inclusion of Trade Adjustment Assistance?

Answer. I support the pending trade agreements with South Korea, Colombia, and Panama, because they will open doors to American goods and services in those countries. We have the most open market in the world. We need trade agreements to give American companies access to overseas markets.

I know the inclusion of Trade Adjustment Assistance is something the Administration and the Congress are discussing, but, as I am not confirmed I am not part of those discussions. I believe these trade agreements are beneficial and should be enacted as quickly as possible, and hope an agreement can be reached soon.

Question 2. You have publicly supported cap-and-trade legislation, claiming that H.R. 2454 in the 110th Congress was a "moderate, but acceptable" bill. You have also stated that you believe cap-and-trade legislation is a tax, and that regulations which penalize energy producers for producing more energy than needed are the best way to reduce energy consumption and greenhouse gases. Do you stand by these statements, and if so, what is your expectation of how cap-and-trade legislation or similarly structured Federal regulations would affect jobs in this country?

Answer. I believe, overall, that a predictable regulatory environment is good for American companies and increases their ability to create jobs in the United States. As such, I share the President's commitment to look for sensible means to address our Nation's energy challenges that support job creation and economic growth. As CEO of Edison International, I had the responsibility to ensure the long-term viability of the company to its shareholders and customers. Within a year of the date of my retirement, the company joined the great majority of U.S. investor-owned electric companies in supporting the then proposed House bill on reducing carbon emissions. The judgment then was that the bill as proposed offered a more predictable path forward for the capital investments we had made and needed prospectively to make on behalf of our customers and businesses than the alternative of continued

uncertainty. Many American companies—like Ford, Alcoa, DuPont, Dow Chemical—all had the same position: that a market-driven approach to reducing carbon emissions made sense and offered valued predictability for the future. Predictability in turn made possible greater confidence in making long-term capital investments. Businesses need certainty, in terms of regulatory consistency and predictability. This kind of business certainty was important for an energy company like Edison to make the kind of investments required to grow and stay competitive, particularly the long-term capital investments that create construction and other related jobs.

Question 3. Over-regulation of the fishing industry and arbitrary fines imposed on fishermen continue to cause significant harm to our fishing communities in New Hampshire and throughout the northeast. During recent Economic Development Administration (EDA) hearings in New England, fishermen testified that catch shares are systematically driving small, independent fishermen out of business and creating an economic disaster for fishing communities. As Secretary of Commerce, can you assure us that you will repair the damage that has been done and get our fishermen back to work? What steps will you take to do this?

Answer. Fishermen and the fishing industry are vital elements of our coastal communities and the U.S. economy. If confirmed, I will work with NOAA to continue efforts to strengthen public trust in NOAA's ability to soundly, fairly and effectively carry out its responsibilities under the Magnuson-Stevens Act, as reauthorized in 2006. It is important that NOAA's science is at all times sound and transparent in carrying out its mandate to sustain healthy fish stocks and fishing industries. In the past when new science became available, I understand that Secretary Locke raised catch limits. If confirmed, I commit to you that if there is new science that shows catch limits can be raised, I will work with NOAA to raise them as expeditiously as possible. If confirmed, I also promise to continue the reforms that Secretary Locke put in place to ensure NOAA has a fair and effective enforcement program, which strengthens compliance assistance and creates a level playing field for fishermen.

Question 4. At the start of your career you were co-founder and attorney for the Natural Resources Defense Council (NRDC), which has been active in court cases opposing fishing industry interests and a lead litigator in securing reduced quota for fisheries. According to a 2008 report, the commercial and recreational fishing industries in the United States are worth \$163 billion and responsible for 1.9 million jobs. As Secretary of Commerce, can you assure us that you will work to strengthen the fishing industry, and that your previous involvement with the NRDC will not improperly influence your oversight of NOAA Fisheries?

Answer. I grew up in Oregon where I learned to fish as a young boy. I spent time along the working waterfronts and with fishermen and appreciate and value their unique way of life. The commercial and recreational fishing industry is a vital component of our Coastal communities and the U.S. economy. If confirmed, I will work to ensure NOAA's science is accurate and transparent to sustain healthy fish stocks and fishing industries now and in the future.

Question 5. One of the regulatory agencies responsible for issuing permits needed for offshore oil and gas exploration is the National Marine Fisheries Service (NMFS) which falls under NOAA. It is my understanding that in the past these permits have not always been issued in a timely manner, which has a significant cost and stalls job growth. Can you assure us that NMFS and NOAA will work with oil and gas developers to issue needed permits to allow for exploration?

Answer. It is important that NMFS do all that it reasonably can, consistent with its responsibilities under Federal law, to issue permits on a timely basis. There are considerable costs to businesses due to unnecessarily slow responses. Finally, if confirmed, I will encourage strong relationships for working together and early sharing of information and early expression of concerns in order to make the permit process as productive and timely as possible.

Question 6. The National Association of Broadcasters recently stated that there is "no spectrum crunch." However, the FCC has stated that it believes there is a spectrum crunch and we need to free up in excess of 300 Megahertz in the next 5–10 years to meet growing demand for broadband. Do you agree with the Broadcasters or the FCC on the issue of a spectrum crunch? In general, what are your thoughts on spectrum policy and what is your plan to navigate NTIA, the Department of Commerce, and the Obama Administration through this issue?

Answer. I am concerned that the exponential growth of spectrum-dependent technologies and wireless devices, such as smartphones and iPads, is outpacing the efforts of commercial wireless providers seeking to devote spectrum to those uses. Given the positive impact of communications technologies on U.S. economic growth and job creation, we must optimize the efficient use of spectrum and identify por-

tions of the radio spectrum band that can be used for commercial wireless broadband use. If confirmed, one of my priorities will be to work to ensure that the National Telecommunications and Information Administration (NTIA), in conjunction with the Federal Communications Commission, meets the President's goal of identifying 500 MHz of commercial and Federal spectrum that can be reallocated for wireless broadband use over the next 10 years. In particular, with respect to identifying bands currently used by Federal agencies, I believe it is critical to preserve agencies' ability to effectively execute their specific missions. Additionally, I support providing agencies with sufficient resources to plan and carry out these important tasks.

Question 7. As you know, the Department of Commerce is pivotal in coordinating the United States government's policies in protecting Intellectual Property. It is estimated that IP generates approximately \$8 trillion annually in gross output and nearly 20 million jobs in the United States. However, nearly 2.5 million jobs are lost due to counterfeiting or piracy. Online sales of counterfeit goods are estimated to be \$135 billion globally and the cost of global digital piracy exceeds \$75 billion. Do you have any unique ideas to crack down on this? What can the government do better to create deterrents to infringement? What assurances can you give us that IP protection and enforcement will remain a top priority at the Commerce Department?

Answer. Should I be confirmed, I will ensure that the domestic and international protection and enforcement of intellectual property rights will continue to be a high priority at the Department of Commerce. I will engage appropriate officials within the Administration with intellectual property responsibilities to, review, explore, develop and implement those policies designed to most effectively deter infringing activity here and abroad. As an example of a promising initiative, it is my understanding that the USPTO is developing a comprehensive strategy to address infringement of patent rights owned by U.S. businesses in China.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN D. ROCKEFELLER IV
TO TERRY GARCIA

Question 1. Mr. Garcia, in your previous positions as Assistant Secretary of Commerce for Oceans and Atmosphere and Deputy Administrator of the National Oceanic and Atmospheric Administration (NOAA), you have managed and overseen the line office responsible for managing our Nation's fisheries, the National Marine Fisheries Service. What further actions would you recommend the Fisheries Service take to achieve economically and ecologically sustainable domestic fisheries? While our domestic fisheries have are turning the corner, and are finally on the path to sustainability as overfishing is reduced in our waters, the rest of the world is a different story. How do you think the Fisheries Service and NOAA can promote sustainability in the foreign fisheries that supply over 80 percent of the seafood Americans consume?

Answer. I think that the National Marine Fisheries Service is currently employing a variety of tools and programs to help the Nation achieve economically and ecologically sustainable domestic fisheries. NOAA shares a common goal with the fishing industry—a future that sees sustainable fish stocks that support a vibrant fishing industry. NOAA has been actively working to find innovative ways to work with the industry. If confirmed, I look forward to working with you, other Members of Congress and the industry to ensure NOAA remains transparent and innovative in pursuit of that goal. The National Marine Fisheries Service already works in the international arena through a variety of venues to promote sustainable, honest practices in other countries that create a level playing field for U.S. fishermen. If confirmed, I look forward to working with NOAA to ensure that the seafood on American tables is sustainable and supported by a strong domestic industry.

Question 2. Mr. Garcia, you served on President Obama's Oil Spill Commission and much earlier led NOAA's restoration plan implementation following the Exxon Valdez disaster. Drawing from your experience, how likely do you feel it is that we will encounter another oil spill, and what steps would you take as Assistant Secretary to prevent that likelihood?

Answer. The Department of Commerce, through the National Oceanic and Atmospheric Administration, has a wealth of scientific expertise including spill trajectories, weather forecasts, seafood sampling, damage assessment, oil clean up, and many other valuable services to combat oil spills of all sizes. While I hope that another spill the size of last year's does not occur again, if confirmed, I will ensure that NOAA's services and expertise remain state-of-the-art and well-resourced to respond to all oil spills regardless of size.

Question 3. As the backbone of our Nation's ability to observe and predict weather, NOAA's polar orbiting satellites help save lives and minimize property damage. However, we find ourselves likely to face a complete loss of this satellite functionality in a few years as a result of a funding shortfall in 2011. As the Deputy Secretary of Commerce, how will you work in the next 4–6 months to get the Administration's management of the Joint Polar Orbiting System back on track?

Answer. I believe that this Administration has gotten the polar-orbiting satellite program back on track from a management perspective. As I understand it, the remaining challenges to ensuring its success are fiscal in nature and, if confirmed, I look forward to working with Congress, NOAA, and the rest of the Administration to ensure that the program has the funding it needs to provide the life and property saving information it currently produces.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. MARIA CANTWELL TO
TERRY GARCIA

Question. From the beginning, I have been an adamant opponent of relocating the Marine Operations Center-Pacific (MOC-P) from the Puget Sound to Newport, Oregon. For that reason alone, it has been extremely difficult to get information from the Department on the project. As a result, I demanded an Inspector General's report of NOAA's MOC-P acquisition. Have you read the Inspector General's Report? If not, you should carefully read and evaluate the Inspector General's report and compare it with your experience at NOAA. At a minimum, I believe you will be very disappointed with NOAA's process.

I urge you to reach out to MOC-P personnel. As Deputy Secretary, I want you to hold a closed door meeting with NOAA MOC-P employees, without senior management. I want you to hear from NOAA employees themselves about the process of the move, the necessity of maintaining fleet and collaborative science presence in Seattle. Can you commit to meeting with NOAA employees in Seattle to discuss this important issue?

Answer. If confirmed, one of my principle responsibilities will be to oversee the day-to-day operations and management of the Department. I understand that the Department instituted a number of reforms to its acquisition process based on lessons learned from the MOC-P. If confirmed, I look forward to visiting with Department employees and to hearing how the Department can improve management and operations.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. TOM UDALL TO
TERRY GARCIA

Question. The Department of Commerce includes a diverse collection of agencies that work on everything from predicting the weather to issuing patents. The Department's over-arching mission, however, is to promote job creation and economic growth. That mission is more important than ever. As Deputy Secretary, how will you provide leadership to ensure that the Department of Commerce's diverse collection of agencies are all working to meet the needs of the people they serve?

Answer. As a former Assistant Secretary at Commerce, I am well aware of the Department's diversity. If confirmed, I will use this experience to focus all of Commerce's bureaus on the singular goal of increasing job creation and economic growth. I will do this by meeting with the bureau heads regularly to discuss in-depth what they are specifically doing to achieve these goals. I will also work to ensure that proper management of Commerce resources at all levels allows the Department to concentrate on the big picture of what's best for the American people.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. OLYMPIA J. SNOWE TO
TERRY GARCIA

Question 1. As you know, I am the ranking member of the subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard. Commercial fishing interests are committed participants in Maine's marine resource management, and critical to my state's economic success. Leading fisheries scientists agree that U.S. fishermen, subject to the Magnuson-Stevens Act, are among the most heavily regulated in the world. As a result, depleted resources are rebuilding, but not without economic costs in the interim. In Maine alone, 23 percent of the crew positions in the groundfish fishery have been lost. NOAA reports that revenues are up, but clearly our work is not yet complete.

Recently, NOAA issued an independent report reviewing the New England Management Process, which concluded that “many industry members feel that NMFS no longer has any focus on economic growth of the industry.” The Department of Commerce’s mission is to promote economic growth, while a key mission of its largest agency, the National Oceanic and Atmospheric Administration, is the conservation and management of marine resources. How would you address the concerns of the fishing industry, who believe that the Department of Commerce has worked against them rather than worked to support them? How do you propose to reconcile these distinct and potentially conflicting missions in order to create jobs in the seafood supply chain?

Answer. I know from my work with the agency previously and since I left, that the National Oceanic and Atmospheric Administration’s (NOAA) National Marine Fisheries Service (NMFS) shares a goal with the fishing industry of ensuring there is a healthy and sustainable fishing industry in the future. To ensure such an industry exists, we must work together to ensure that the resources on which the fishing industry depends are healthy and used sustainably. Constant improvements to fisheries science are needed to ensure that fishing communities get the greatest fishing opportunity possible within sustainable levels. If confirmed, I will work diligently with NOAA to ensure that NMFS’ actions are based on the best available science so that we keep and create as many jobs as possible in the industry.

Question 2. Mr. Garcia, the iconic groundfish fleet in Maine has had a difficult transition this year to a *catch share program*—the sector management system—where groups of fishermen have been allocated a certain amount of fish to harvest as a group. While there have been some positive signs from the first year of this dramatic regime shift, there is still a great deal of work to be done in order to make this system more efficient and cost-effective.

Of particular concern to the sectors based in Maine is the high cost of at-sea monitoring. Monitoring is critical for accurate assessment and enforcement, but as the program is currently administered by the National Marine Fisheries Service, it is also very expensive. Fishermen in the New England Sector program may have to pay as much as double the cost for at-sea monitoring on the west coast due to differences in the way the fisheries are prosecuted. In 2012, the New England fleet will have to absorb this expense if Federal resources are unavailable and vessel owners are concerned that this cost will be too much to bear.

In this difficult fiscal climate, I hope that, if you are confirmed, your leadership of the Department of Commerce will include finding creative solutions to reduce costs imposed on the private sector by our regulatory system so that businesses can thrive. The fishermen in Maine are thinking ahead, and are participating in the development of electronic monitoring tools to eliminate the need for human observers. Given the high costs that are often associated with meeting regulatory requirements, how would you foster and support this type of innovative, cost-saving technology, in heavily-regulated industries such as the fishing industry?

Answer. I believe innovation and creativity can create huge cost savings in industry, and is important in the highly regulated fishing industry. For example, cooperative research funding has already helped develop more selective fishing gear which allows fishermen to more efficiently target healthy stocks while avoiding weak stocks. This can make fishing businesses more efficient and profitable. This same type of innovation needs to occur to bring down the cost of at-sea monitoring. If confirmed, I will seek solutions to help reduce the cost of at-sea monitoring through innovative technology.

Question 3. Mr. Garcia, as the ranking member of the subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard, the concerns of Maine’s fishermen are my concerns. I am sure you are aware of the challenges facing New England fishermen, given your role as General Counsel following the Amendment 13 lawsuit and your tenure at NOAA in the years that followed.

Unfortunately, the fishing industry’s interactions with the National Marine Fisheries Service’s Northeast regional office and science center have been getting steadily worse over the last several years, culminating in Inspector General reports that highlight substantive problems with NOAA leadership in my region. A 2009 investigation recommended that NOAA take specific steps to improve communication of its research results and to strengthen its relationship with New England commercial fishermen. In 2011, troubling news emerged about what the IG called “systemic” issues in the regional Office of Law Enforcement. The most telling indication of this problem was the workforce imbalance in the office, where 90 percent of the staff were criminal investigators.

In response to my request at the NOAA budget hearing this spring, a workforce analysis is being conducted and I expect we will find that reducing the complexity

of excessive fisheries regulations would help our fishermen comply with regulations more effectively than would the addition of uniformed enforcement agents walking the docks with guns.

Mr. Garcia, given your experience as General Counsel of NOAA and your familiarity with the fishing industry, what have you learned from your experience at NOAA, and what insights will you bring now that you have worked outside the agency for the last twelve years that will ensure that NOAA leadership improves its relationship with the fishing industry, and that we will finally begin to move in a more positive direction? What steps will you take to ensure that the Commerce Department abandons its adversarial approach to the enforcement of fishing regulations?

Answer. We must redouble our efforts to improve the relationship between NOAA and the fishing industry in New England. My experience working outside the agency will be useful in this endeavor. I understand that NOAA is implementing significant reforms to its enforcement program. Critical to these reforms is ensuring the agency works better with stakeholders to ensure everyone understands how to comply with the regulations. An effective enforcement program ultimately protects the business interests of fishermen as well as the marine environment. If confirmed, I pledge to provide leadership on this issue to make sure the reforms underway in NOAA's enforcement program continue.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. ROGER F. WICKER TO
TERRY GARCIA

Question 1. Last month, the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) and National Oceanic and Atmospheric Administration (NOAA) signed a Memorandum of Understanding (MOU) to increase their coordination when reviewing Outer Continental Shelf (OCS) oil permits. This MOU, which was a recommendation in the Oil Spill Commission Report, expands NOAA's role in the oil permit approval process. How do you envision NOAA fulfilling the MOU requirements in a timely manner to ensure they do not delay the issuing of oil and gas permits?

Answer. It is my understanding that this MOU would improve how BOEMRE and NOAA coordinate and collaborate to ensure energy resources are developed in an environmentally sound manner that protects marine life and ecosystems under our respective authorities. This enhanced coordination will assist in the timely issuance of permits that are consistent with MOU requirements. If confirmed, I look forward to continuing to enhance this important partnership.

Question 2. Environmental Impact Statements are currently required at several different stages of oil and gas exploration, drilling, and production, during which the Department of Commerce has the opportunity to comment. What measures will you take to reduce redundancies?

Answer. I understand that the MOU recently signed between the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) and the National Oceanic and Atmospheric Administration (NOAA) will allow the two agencies to align their regulatory and decisionmaking processes and engage early in their respective processes in order to improve coordination, thereby reducing redundancies in oversight and regulation. This is an important area and, if confirmed, I look forward to fostering the ongoing collaboration between NOAA and BOEMRE.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARCO RUBIO TO
TERRY GARCIA

Question 1. What role do you feel marine protected areas serve as a fisheries management tool?

Answer. Marine Protected Areas (MPA) is one of many tools available to managers to manage fisheries. Like all available tools, they are not suited to every circumstance. I understand that many MPAs are established and managed with the explicit purpose of supporting the continued extraction of renewable living resources, including fish that either live within the MPA or depend on the protected area's habitat for essential aspects of their ecology. Through protection of feeding, spawning, mating, or nursery areas, MPAs can assist in the recovery of overfished stocks and in the continued production of those stocks not depleted.

Question 2. Under what scenario would you deny recreational or commercial fishermen access to marine areas?

Answer. Access to marine areas is vitally important to understanding and appreciating them. Therefore, restricting access to, and use of, marine areas should be done in a manner that is targeted to clearly defined and measurable goals (for example, to promote increased fisheries production or to conserve biodiversity) while minimizing impacts to users. Any decisions to restrict access must have the benefit of both the best available science and meaningful and rigorous community involvement and participation.

