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NOMINATION OF HON. GARY F. LOCKE TO BE SECRETARY OF THE U.S. DEPARTMENT OF COMMERCE

HEARING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

MARCH 18, 2009

Printed for the use of the Committee on Commerce, Science, and Transportation

U.S. GOVERNMENT PRINTING OFFICE

52–160 PDF WASHINGTON : 2010

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

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NOMINATION OF HON. GARY F. LOCKE TO BE SECRETARY OF THE U.S. DEPARTMENT OF COMMERCE

WEDNESDAY, MARCH 18, 2009

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

The Committee met, pursuant to notice, at 10:12 a.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. My apologies to all, and explanations will follow later.

I wish good morning to everybody, particularly to Gary Locke and to the two splendid people who are going to be introducing him. And you, sir, will be the Nation's 36th Secretary of Commerce. And you know, we could have waited another several months.

[Laughter.]

The CHAIRMAN. We are getting pretty good at it, but we are really happy to see you here, and particularly somebody of your character. I am not sure if you have noticed, but there has been a lot of talk about all that recently.

I am going to skip all of the good things I was going to say about how you grew up, what you have done, your public service, all different varieties of it. You have been completely committed since your parents came here. You have come up the hard way, and you have served the public at every single instance in every single way.

We are in a very hard time. I think that you understand—I know that you understand Main Street, and I know you understand the way the people of your State are thinking and the way the people of the Nation are thinking. And I think that you have your finger on the pulse of what people want.

The department which you will be taking over, it surprises people, I think, sometimes to find out how huge the scope of it is. It is so huge that sometimes one part doesn't stand out over another. They all stand out on their own. And so, it is a huge responsibility you have.

Just to name a few, you have successful national transition to digital television, which I will be asking you about, as well as the census, which may be your biggest headache to overcome that and

get it done on time. The allocation of $4.7 billion in needed broadband funds to areas of the country which desperately need it.

The engagement on climate change, head on. That is what we are doing here. We are part of the process. We have been a smaller part of the process in the past. We are going to be a larger part of the process in the future, working with you, always working with you.

And amplification of science and technology. Our President, who you serve and who, in a sense, we all serve, or as my colleague would say "work with"—that is not my colleague here. That is my colleague from West Virginia. We work with him. It is just about the most difficult time we have ever been in, and he is an enormous believer in science and technology, which you are, too.

He has great faith in it. He believes that it leads us to solutions, and I agree with him. And that is true whether you are talking about climate change, estuaries, the oceans, the skies, whatever it might be.

And the list goes on and on, and it is a thrilling opportunity for you and a great privilege for us that you would be willing to do it.

I think we can all agree that the Commerce Secretary is one very, very big job, therefore, and we need somebody who wakes up every day thinking about what is best for working families and for the Nation at the same time. That is everybody.

So, Governor Locke, you are going to represent the interests of people with honor. I know that you will ensure American workers can prosper, that our businesses can thrive. We have a very large free enterprise agenda. We have a great deal to do with what goes on or doesn't go on in businesses large and small. We have trade, all kinds of things.

And we need to move quickly on this nomination, needless to say, because you need to be in place, and I obviously am declaring that I am very much for you. And so, my general theory is let us get moving.

And I will now turn to my distinguished Ranking Member, Senator Kay Bailey Hutchison.

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

Senator HUTCHISON. Thank you, Mr. Chairman.

I am very pleased that you are holding this hearing and agree with you that we need to proceed through this hearing and this nomination because it is such an important position, and there are so many areas in which the Department of Commerce must function and function well.

The expansive jurisdiction covering such matters as NOAA, international trade, and our domestic telecommunications infrastructure are of immediate interest, and we did provide $17 billion in budgetary authority for Fiscal Year 2009 to the Department of Commerce to carry out these missions. There are a number of challenges, and I look forward to hearing from the nominee about how he will manage them.

First is the census. There has been a lot of discussion, as you are aware, about the oversight of the 2010 census, and I have concerns

about reports that the Administration might insert itself into the management of the census.

I believe the process must remain transparent and nonpoliticized. And when I met with Governor Locke earlier this month, we talked about that, and I was pleased to hear his position that the census will stay in the Department of Commerce, and it will be handled on a professional basis. And I will ask you about that for the record to assure that we are on the same wavelength, which I believe we are from my conversation with you.

DTV is another huge undertaking, and this Committee, with the leadership of the Chairman, actually extended the deadline for the transition from February to June. However, we cannot extend that deadline again.

The NTIA has been given additional funding, and the number of consumers on the wait list to receive coupons has diminished. But there are still many out there, and I will certainly want to see how you plan to run the NTIA to assure that DTV is ready to transition in June because it would be wrong to extend that deadline again.

Science and technology are also critically important. Investments in science and technology will be critical in helping our Nation's economic recovery. We need to invest in basic scientific research, math and science education. One area in particular that I hope to talk to you about is the issue of research efforts in the area of weather modification and storm mitigation. I am particularly interested in your views because NOAA and the National Weather Service will be very much a part of that in your department.

The Commerce Department has awarded more than $4 billion in broadband grants across the country. Broadband, as we all know, is a key building block for new businesses and jobs. But we must ensure that the broadband policies focus on both urban and rural America and offer solutions for both.

The department must also continue to work with the Internet Corporation for Assigned Names and Numbers to ensure that the Internet remains a secure space in which commerce can flourish nationally and internationally.

In my home State of Texas, we rely very heavily on weather, making sure that we know what the predictions are, and what the track of a hurricane is. We are also the home to significant oil, gas, and other energy infrastructure, maritime commerce, all vital to our Nation and all very much affected by the Department of Commerce.

As an example, when Hurricane Ike hit Texas and Louisiana coasts last September, NOAA's advanced warnings clearly minimized the loss of life, and its many response teams helped to reopen our ports and coastal infrastructure to commerce. It was incredible to see what NOAA and the Weather Service did, tracking that hurricane from 5 days out and hitting it almost on the dot where it would land.

They predicted well the hurricane. What was not predicted was the surge, which really was the damage causer, both with Ike and Katrina, frankly. So that is an issue that we are going to have to address.

Clearly there are so many things that affect our country that are within your department. I think you have acquainted yourself very

well during this time since your nomination, and you have a very strong record as Governor. I look forward to working with the Chairman to expedite your nomination, barring any unforeseen questions or answers or anything that we haven't learned yet. Everything I have seen is very good.

Thank you very much, and I look forward to working with you in all these areas.

Mr. LOCKE. Thank you.

The CHAIRMAN. I might add two things. One is that the Ranking Member and I have both looked at all the financials and FBI reports, and it was clean and happy reading.

[Laughter.]

Senator HUTCHISON. True. Boring would have been——

[Laughter.]

The CHAIRMAN. It was pretty boring, yes. But with the indulgence of the Committee, what I would like to do now, since actually Senator Cantwell is the next one to give her statement, is not to hold Patty Murray, who sort of runs this place, and let them introduce our next Secretary, hopefully. And that will free them to come back, Maria to give her statement, since she is next in line.

And if that is OK with the Committee, if there is no objection, I think that is a fair and efficient way to do it.

So, Senator Patty Murray?

STATEMENT OF HON. PATTY MURRAY, U.S. SENATOR FROM WASHINGTON

Senator MURRAY. Thank you very much, Mr. Chairman, for that consideration.

Ranking Member Hutchison, members of the Committee, along with my colleague Senator Cantwell and members of our Washington State House delegation, it is my pleasure to introduce to all of you Gary Locke, who is the former Governor of Washington State, to serve as the next Secretary of Commerce.

I want to welcome Governor Locke and his wife, Mona, who is here with us today. And to thank her and their children—Emily, Madeline, and Dylan—for willing to let him do this for all of us.

Mr. Chairman, I am very proud to recommend Gary Locke to be the next Secretary of Commerce at this important time in our Nation's history. As we all work very hard to recover from the worst economic downturn since the Great Depression, we need a Commerce Secretary with the dedication and expertise to carry out policies that will strengthen our economy well into the future.

Governor Locke understands the importance of the American dream because he has lived it. His grandfather emigrated from China and worked as a servant just a mile from our Governor's mansion in Olympia. Governor Locke spent his first 6 years in Seattle's Yesler Terrace, a public housing project for families of World War II veterans.

His background taught him firsthand the importance of education, hard work, and responsibility, and what it means to live in a country that provides opportunities for its citizens. He studied hard in school, helped out at his father's grocery store, and became an Eagle Scout.

He graduated from Franklin High School in Seattle, Yale University, and Boston University Law School and began a very long career in public service, first in the King County prosecutor's office and then in the Washington State House of Representatives.

I first met Governor Locke when we served together in our State capital in Olympia, and I couldn't be happier that he is now the nominee to head the Department of Commerce. Now there are a lot of reasons why Governor Locke is an ideal nominee, which I will talk about in a minute. But I want to take this opportunity to tell a personal story that I think illustrates his commitment to public service and to making sure we all make the best decisions for our taxpayers.

As I said, I first met Governor Locke in our State legislature. He was Chair of the State appropriations, House Appropriations Committee. I was a brand-new State Senator, and I was working very hard to get a piece of legislation passed that was critical to my constituents.

Now, Governor, I don't know if you remember this, but I still remember it to this day. It made a huge impression on me. As part of getting my bill passed, as a Senator, I had to go talk to Gary Locke as Chair of the Committee, and I had to sit down in the chair in front of him. And it was one of the toughest experiences I ever had.

He knew that budget inside and out. He ran me through the paces. He grilled me about what was in my bill and what impact it would have on our taxpayers, and he was very tough. But ultimately, after putting me through that grilling, he supported me and asked the hard questions and defended my legislation, and we improved that bill and got it passed because of his commitment.

Governor Locke has brought that level of expertise and dedication to the taxpayers in every position that he has held, and it makes him an ideal candidate now to serve in the Department of Commerce.

So, Mr. Chairman, let me just say a few words about the experience that he brings. One of the most critical jobs the Commerce Secretary performs is finding markets for American products and technologies. Governor Locke understands how important that is, and he knows how to do it successfully.

As the two-term Governor of the Nation's most trade-dependent State, he spent 8 years breaking down trade barriers and promoting American products from airplanes to apples to operating systems. He has led numerous successful delegations to our Asian trading partners to foster those relationships. And the experience and relationships he built over the years will serve him well as he works to promote American products and American technologies to a global market.

Governor Locke also understands the health of the environment and knows that it has a direct impact on our quality of life and on our economy. People in our home State of Washington really value our natural resources for recreation and enjoyment. But a great many people depend on those same resources to make a living.

Finding a good balance between those two interests is something every Washington State Governor grapples with, and Governor Locke's experience means he is going to hit the ground running as

Commerce Secretary as we confront global climate change and other environmental concerns, including the management of our fisheries.

And that leads me to my final point. Former Senator Fritz Hollings, who served as Chairman of this Committee, used to joke that the Secretary of Commerce always comes in thinking he will be the head businessman and then he finds out that he is really the head fisherman.

[Laughter.]

Senator MURRAY. Now I am not trying to diminish the importance of the Commerce Department or the issue. The management of our limited fishing stocks is extremely important, and as a Senator from the Northwest, I know from experience that we need someone to head the Commerce Department who has a detailed understanding of this delicate and very complicated issue.

Governor Locke is the only Commerce Secretary nominee, to my knowledge, who has personally negotiated a fishing treaty to balance fishing and environmental interests. He understands both sides, and he will bring an evenhanded approach to this issue at Commerce.

So, Mr. Chairman, I am very pleased to introduce this Committee to Governor Locke, and you. He has served the people of our State well. He will bring that same level of commitment and intelligence to this Administration, and I am very proud to support his confirmation.

Thank you.

The CHAIRMAN. Thank you very much, Senator Murray. I detect approval in your remarks.

[Laughter.]

Senator MURRAY. You got it.

The CHAIRMAN. And now, Senator Cantwell?

STATEMENT OF HON. MARIA CANTWELL, U.S. SENATOR FROM WASHINGTON

Senator CANTWELL. Thank you, Mr. Chairman.

Chairman Rockefeller, Ranking Member Hutchison, thank you for holding this important hearing, and it is an honor to be here with my colleague Senator Murray and to be here to congratulate the President on his selection of former Governor Gary Locke to be the next Secretary of Commerce.

I have known Gary Locke for more than 20 years. And I can say to my colleagues, Governor Locke, is the right man for this job. As Governor, he helped bring broadband services to the rural parts of our State. Under his leadership, using the E-rate funds, Washington State developed the K–20 Network, a high-speed, high-capacity network linking K through 12 schools with libraries, colleges, and universities across the State of Washington.

Governor Locke has also been involved in both public and private sector trade missions advocating open markets and promoting U.S. products. At the International Trade Administration within the Department of Commerce, that experience will be put to good use.

Part of the mission is to advocate for American companies competing abroad. It can mean the difference between whether major

foreign sales go to U.S. companies or whether they go to foreign competitors.

At NOAA, which is over half of the Department of Commerce budget, Governor Locke's prior experience with the complexities of Puget Sound, endangered salmon species, the hazards of oil spills will also be invaluable. As Governor of Washington, Governor Locke dealt with one of the Nation's most vibrant fishing industries, appointing the North Pacific Fishery Management Council.

The fisheries in the North Pacific are among the best-managed fisheries in the world, a fact that has not gone unnoticed by the U.S. Oceans Commission and the Pew Commission.

In addition to commercial fishing, Governor Locke has dealt with the complexities of endangered salmon and, in December 2004, presented to the Federal Government the first locally developed regional salmon recovery plan for Washington State.

Additionally, many of the challenges Commerce Department faces in the near term are management challenges, from the set-top box program for digital television to NOAA's satellite program and getting it back on track, to wisely investing the $4.7 billion in the broadband grants as part of the American Recovery and Reinvestment Act.

And Gary Locke has never shied away from difficult management challenges, like crafting a State budget in his second term as Governor just after the tech bubble bust. He worked with Democrats and Republicans in the State legislature to come up with a spending reduction proposal—many of the ideas unpopular at the time, but necessary given the need to balance the State budget. I know that he will continue that same bipartisan spirit working as Secretary of Commerce.

Mr. Chairman, I believe that Governor Locke will also help round out the President's economic team. He is someone who understands the challenges many Americans face as they try to get their own personal economic situation and our national house in order.

As my colleague Senator Murray mentioned, Governor Locke, raised in public housing, worked hard, through financial aid and scholarships graduated from Yale University and onto a law practice. He is a testament to the American dream.

So I look forward to working with Governor Locke on many issues and urge my colleagues today for his quick confirmation as the next Secretary of Commerce to the United States.

I thank the Chairman.

The CHAIRMAN. Thank you very much, Senator Cantwell.

And I understand that that is your statement, and so I won't call on you next up here. However, just to show the dominance of the Northwest, the next person on the first-come, first-served is Senator Begich.

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

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

And Governor, I know we had our brief meeting, but it was an interesting meeting. It told me that you have great capacity, as we started in my office, walked down the hall, ended up in an elevator,

down through the train, and then to the Capitol. So I know that you have great flexibility, and I appreciate that.

Again, I have a few questions, and I will just lay them out, if that is OK? And Mr. Chairman, I am not sure how the rounds will work, but I am very excited about having you. I have read your resume. I have seen your experience. I am personally aware of who you are from our own experience, from our Governor in Alaska and the work you have done on salmon treaties.

I am going to lay out questions instead of a statement just because I want you to kind of think about them as the process goes forward. There will be one area of issue, obviously, is the Arctic policy and climate change and how those two will be part of the equation and how you see your department participating in engaging in that issue.

For Alaska, the Arctic is becoming more and more not only a local issue, obviously, but a national issue. And how you see the department engaging in the issues of oil and gas exploration, shipping and tourism, and the other commercial activity up there and how you see your role and how you will participate with other agencies throughout the Federal Government. That is one area as we move forward that is going to be a grave concern for us in Alaska.

The other—and I liked the comment that was made that you will not be necessarily the head businessman. You will be the head fisherman. And I agree with that because people who do come to Commerce realize later that there is a lot of activity that you will be engaged in, and with NOAA's budget, about half of your budgetary responsibility, commercial fishing in Alaska is pretty significant. It is 62 percent of the fishing stock in this country.

And the issue of farmed fish is of grave concern to us. In Alaska, we are not big fans of that, to say the least. And your role and your opinion in regards to the requirement or the potential of farm fishing allowed in Federal waters throughout all of this country and how you would see Alaska hopefully not fitting into that. I am giving you the answer, hopefully, to your question—to my question.

The last, and again, because our time is always so short here, the other is a very specific one, which is the Denali Commission, which is pretty significant for Alaska. The Denali Commission has been around for about 10 years. It takes Federal money and invests it throughout the State of Alaska in rural communities in fuel storage and in solid waste and teacher housing and a variety of areas. But they are also more than likely going to expand into broadband issues and renewable energy.

The Denali Commission has been one of those programs that I believe has worked very successfully in impacting and positively impacting rural communities, and I am hopeful that you could give some commentary on that issue also and how you feel about that. And can it become instead of what it has been every year, kind of an earmark, but more programmatic because the impact has been significant?

I will stop there, Mr. Chairman, because I wanted to rapid fire the questions so he can have time to be thinking about them, depending on how the process works here.

The CHAIRMAN. Thank you, Senator Begich.

Senator Thune?

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

Senator THUNE. Thank you, Mr. Chairman.

I want to thank you and Senator Hutchison for scheduling a timely confirmation hearing for Governor Locke, and welcome and thank you for your willingness to serve as our next Secretary of Commerce.

If confirmed, you are going to be leading a department and working with this Committee during a very difficult time in our country's history. There are a number of issues that people are struggling with today across the country. We have small businesses who are hurting and families that are anxious over their next paycheck, their next mortgage payment, or their next job.

As Commerce Secretary, you are going to help shape and carry out economic and trade policies that are intended to turn the economy around. In particular, you are going to oversee the implementation of a massive broadband deployment as called for under the Stimulus Act. That is an issue of interest and concern to me.

I am hopeful you will work closely with this committee as we ensure that these funds are effectively directed to unserved and underserved areas of the country that are most in need of the assistance.

And additionally, you are going to be charged with overseeing the upcoming census of the United States, which, for over 200 years, has played a central role in measuring the progress and growth of our country and helped policymakers govern a growing and changing population. The 2010 census has got to be carried out accurately and objectively.

And as you know from your service as a Governor, many programs, including education, Medicaid, and highway funding, are all determined by the outcome of the census. And additionally, the census is going to determine the number of Congressional seats that each State has.

So, needless to say, the stakes are high. These reports of that process being politicized are very concerning to many of us, and recent statements by White House officials indicate that the White House may exert an unprecedented influence in that census process. Those are statements and suggestions that I find unacceptable, and I look forward to hearing more from you on making sure that the census is an open and independent process.

So, again, I thank you for your willingness to serve. Many have spoken to your many qualifications, and obviously, you come to this job with great experience and great background. And we look forward to working with you in taking on many of the challenges that the country currently faces.

So thank you, and thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Thune.

Senator Warner?

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

Senator WARNER. Thank you, Mr. Chairman.

And let me add my voice to my colleagues and friends from the State of Washington on a personal recommendation and great appreciation of the President for choosing Gary Locke to be Secretary of Commerce.

I had the opportunity to serve with Governor Locke during my tenure as Governor. My wife, Lisa, and I consider he and Mona friends. We had wonderful times together with Governor Johanns when Governor Locke hosted the NGA out in Seattle, and I can say firsthand that this is a soon-to-be Secretary of Commerce who was extraordinarily well respected by Governors across the country from both sides of the aisle. He brought a lot of imagination and innovation during his tenure as Governor of Washington.

One thing that I am particularly excited about, Gary and I have spent some time talking about this in the past, and during his tenure as Governor, he spent a lot of time trying to make the State of Washington government more efficient and budgeting more effective. And some of the things that don't get a lot of press attention, but clearly, in a department as far-flung as the Commerce Department is, with so many different functions and focuses, trying to bring the kind of management expertise you brought to the State of Washington, I think, to the Commerce Department will be something that we will all be well suited with.

I will simply make one final comment, and Senator Thune has raised this issue already, about the broadband deployment. Regardless of where we may have been on the recovery package, I think we are all very excited about the opportunity to continue to roll out broadband. I do think there is going to be enormous tension between the goal of getting the funds out quickly, but at the same time, having appropriate oversight and making sure that there is an effective deployment, particularly to rural and underserved areas.

And I particularly look forward to working with you in the areas of last-mile deployment. We can get that broadband backbone in, but if we don't do a good job of the last-mile deployment, working with our local communities, and I would add, we in Virginia have had very extensive—we have got the biggest rural broadband deployment in the country.

And we have spent a lot of time in the last year or so working on these last-mile issues, on how you engage local governments and local communities to make sure you can get this service not just to the school and to the government, but actually to the businesses and the consumers in the area. And there may be somewhere we can collaborate and cooperate on that.

So I will simply say, Mr. Chairman, a hearty yes to Gary Locke, and he will serve not only the Department, but our Nation, I know, with distinction.

Thank you.

The CHAIRMAN. Thank you, Senator Warner.

Senator Johanns?

STATEMENT OF HON. MIKE JOHANNS, U.S. SENATOR FROM NEBRASKA

Senator JOHANNS. Mr. Chairman, thank you.

And let me, if I might, just second the words of my colleague across the aisle, Mark Warner. Governor, it is just great to see you here.

Our times did overlap when I was Governor of Nebraska, and you did a great job. And if I were to add just another thought, you did it in a very bipartisan way. You worked with Republicans, Democrats, and Independents, and we can't ask for anything more than that.

If I could, I want to add my endorsement. Let there be no doubt about it. I like Gary Locke a lot. I celebrated when I saw that you were going to be the person that was nominated. In my mind, you can't get enough governors in the Cabinet.

[Laughter.]

Senator JOHANNS. That is how I feel about it.

There is the official job description for what you do, and then there is kind of the unofficial job description. As a former Cabinet member myself, I had an opportunity to work with Carlos Gutierrez when he was at Commerce, who is just a fine, fine man.

He came with a lot of experience in foreign trade and other expertise. But the unofficial situation with Carlos was he kind of became the face of trade in many respects. Now, of course, there is the USTR. And there were the rest of us that were working trade issues. But oftentimes, it was the Commerce Secretary that in kind of an informal way became the face of trade.

As you talk today, I would like to ask you to offer some thoughts on some hard questions. I won't ask any trick questions, but I will ask you some hard ones. Trade promotion authority—I maintain no President can negotiate a trade agreement without TPA. I support it whether it is a Republican or a Democrat in the White House.

We don't have it today. Haven't had it now for many months. I don't know why a country would negotiate without TPA because the negotiations never end. That would be the first thing.

The second thing is it is one thing to say we want better foreign relations. We all want that, I think. It is quite another thing when you realize that the first thing that foreign leaders bring up with you when you sit down with them, whether you are a Cabinet member or the President of the United States, is very, very specific trade issues.

And I will just give you an example, a very, very tough issue at the moment. You have got one of our largest trade partners that is very, very irritated with us about action that was taken on what really was a pilot program relating to trucks out of Mexico. How do you deal with that?

Because that is billions and billions of dollars of trade, and it has a profound impact on farmers and ranchers in Nebraska because if, all of a sudden, retaliation starts, there is no way to end that. How will you propose to manage that, whether it is in the setting of a Cabinet meeting or a conference with the President or face-to-face with the world leader?

You will be shocked at how much you travel, how much you are on an airplane talking to foreign leaders about trade issues. I would like you to give some thoughts on that as you move on to your testimony.

But let me just wrap up with this. I could not agree with Senator Warner more. You are the kind of guy we need in the Cabinet. I am thrilled to hear everything has worked well in terms of your background checks and all of that. One thing you will realize in the Cabinet, boring is a really good thing. The more boring you get, the better.

So I wish you the very best. You will have my support and look forward to working with you, Governor. And it is so good to see Mona here. I will pass her regards on to Stephanie.

Thanks.

The CHAIRMAN. Oh, my heavens. I have failed completely. Governor, could you introduce your wife, please?

Mr. LOCKE. Thank you very much, Mr. Chairman and to the members of the Commerce Committee, I would like to introduce my wife, Mona Locke, seated behind me.

She is a former television reporter. Actually worked a stint here in Washington, D.C., and was kind of the correspondent for some of the smaller stations in Kansas. So she got to know the Kansas delegation quite well. And then ended up in Green Bay, covering the Packers and tailgate parties in Green Bay. Came to Seattle, and I met her——

The CHAIRMAN. Was she on the sidelines there?

[Laughter.]

Mr. LOCKE. And then we got married, and she has been a terrific first lady, really championing early learning well before it was ever popular. The importance, critical importance, of educating our children, stimulating their intellectual and emotional well-being well before they even go to kindergarten.

And then she is now the Executive Director of the Puget Sound or Western Washington Susan G. Komen for the Cure Foundation, working on breast cancer education, prevention, and treatment of breast cancer.

So she has been an incredible partner, an incredible administrator, incredible motivator, and a really terrific mom to our three children—Emily, Dylan, and Madeline.

Thanks for being here, honey.

The CHAIRMAN. She ought to be pretty happy about that.

[Laughter.]

The CHAIRMAN. Thank you very much.

Senator Brownback?

STATEMENT OF HON. SAM BROWNBACK, U.S. SENATOR FROM KANSAS

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

Welcome, and welcome, Mona. Good to see you. It is good to have you here.

Enjoyed our private discussion that we had. A lot of issues have already been raised that I agree with, particularly on broadband issues in underserved areas. One that hasn't been talked about is the Patent Office. Although I notice in your written statement, you have talked about getting and addressing some of the backlog on the Patent Office.

There is another issue that is going to be coming out that I hope you will put some attention to, and that is the changes in the pat-

ent law. I was on the Judiciary Committee for a while, and this is such a key, critical area for the further growth of our economy, the protection of intellectual property and development of intellectual property, that I hope you will lean in and watch that all groups are taken care of on this, and it doesn't just favor one group over another group.

That was the issue that started coming up with the last patent reform bill—a certain group of industries favored it and others didn't because it was going to favor one group over another. And I don't think that is a wise way for us to grow. I don't think it is something we need to do to change and improve the patent system.

Another issue that you are very familiar with is trade disputes that we have that you will have a voice at the table and work on, particularly one on Airbus that I know you, as the Governor of Washington, and my State of Kansas, we have had this ongoing dispute with Airbus in Europe. That case should report out during your tenure as Commerce Secretary.

I hope that we win that case and that we are able to use the offsets to really make this a fair and balanced fight. Whether it extends to the civil side of the aircraft that the case is built on or the militarized side of the aircraft where the tanker issue comes up that I see is floating back around now, and people talking about what to do on it, I think it requires a new kind of thinking about how we would address this because those two issues are related.

They subsidized the civilian development of the aircraft and then used it to undercut the price of the militarized type of the tanker aircraft. That is a bit of an insider issue, but I know you understand it fully from the State of Washington's perspective.

I also would mention to you on disputes with China, I know you practiced law in that area. You are very familiar with trade issues. I don't know of another trade area that we are going to have more difficulty in working with than in China, whether it is currency manipulations, or protection of intellectual property rights. We just really have had or perhaps need to have a brawl with the Chinese on making sure everybody abides by their obligations.

And it gets very frustrating to people here that you get a subsidized system or artificially holding down of currency rates, and then nothing happens. Or intellectual property rights are being stolen. I was on the streets of Beijing the day that a movie came out in the United States, and it was being sold on the streets by vendors the day of release. And you are thinking, "Boy, that was very efficient."

I would rather think it was stolen, but we have had that as an ongoing dispute for some period of time. I hope you really will dig into those issues, and I know by your past and your track record that you will.

I look forward to working with you on some of these cases, particularly for ours, for my State of Kansas, the Airbus dispute and then how that has morphed into the tanker controversy is just—it is a $40 billion issue for us in the United States versus Europe.

So I look forward to working with you. Glad to have your wife back in town. All the best to you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thanks very much, Senator Brownback.

Senator Lautenberg?

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

Senator LAUTENBERG. Thanks, Mr. Chairman, for conducting this oversight and review of an excellent candidate for Commerce Secretary. We saw a Washington armada here with the two highly thought of Senators and the distinguished former Governor.

Governor Locke and I share background and experience from parents. His parents, like mine, ran a neighborhood store, kept open 7 days a week typically, 365 days a year. And the thing that we did, each of us seem to have learned is hard work.

And unfortunately, with the economy in recession, too many people are searching for a chance to work hard as they struggle to make ends meet. The unemployment rate across the country, the highest it has been in 15 years, and those people who have jobs are working longer and getting less for their labor. And so, we are counting on the next Commerce Secretary to help right this ship and get the economy back onboard.

This Committee has responsibility that goes beyond that of the Commerce Department, and that is we do some significant infrastructure work here. One of them is, for instance, investment in rail service, transportation improvements. Light rail reduces congestion, reduces our dependence on fossil fuels, and will employ 27,000 people for every billion-dollar investment. And I use that as an example.

And as the Cabinet Secretary responsible for America's economy and its competitiveness, I hope that Governor Locke will be a partner in promoting investments in transportation, even though it is not within—directly within his department.

In our meeting, Governor Locke and I talked about another type of infrastructure investment mentioned by several colleagues, the need to invest in broadband, especially in underserved areas in New Jersey. The economic recovery law we recently passed provides the Commerce Department with nearly $5 billion for broadband initiatives to improve high-speed Internet access to the served and unserved and underserved communities around the country.

Getting broadband into these communities, especially the low-income areas, is essential if we are going to keep America competitive. For Americans with limited time and limited resources, Internet access means access to information, quality healthcare, and education that otherwise might be out of reach.

And it means that children can get homework help from libraries, and parents can go back to school in search of a newer, better job even as they stay at home. And for low-income Americans, the opportunities available online can help find a way out of poverty.

The Secretary of Commerce has the ability to impact so many aspects of American lives, from protecting the health of our oceans to promoting American trade, technology, and economic development, to ensuring accurate representation through the census. And I look forward to working with Governor Locke on these issues and many others, including stopping companies from doing business with terrorist states.

And I close, Mr. Chairman, since you, too, were a Governor, an appeal was made for more governors here. I come out of the business community, and my appeal is for more businesspeople to join us here in the U.S. Senate.

And I thank you, Mr. Chairman.

The CHAIRMAN. How do I respond to that?

Senator LAUTENBERG. Applause.

The CHAIRMAN. I sort of come out of both is my calculation.

Governor, just so that you will come back when we have our next hearing involving you, it is our custom when somebody presents themselves for nomination for all members to give statements. We have cut them down to 4 minutes. Ordinarily, it is the Chairman and the Ranking Member that give statements. So keep your spirits high.

[Laughter.]

The CHAIRMAN. And to keep them high even further is Senator Snowe.

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

Senator SNOWE. Oh, thank you. Yes, great timing on that point.

I will try to be brief, Governor Locke, and I welcome you and congratulate you on your nomination. I think it comes at an especially critical time for the Commerce Department.

And certainly, your life's journey does represent a great American story, and also the depth and breadth of your experience and expertise in this multi-mission agency is so well suited for the many challenges and also the spheres of jurisdiction within the agency. So I certainly want to applaud your nomination, and I appreciate the productive meeting that we had recently on so many issues.

Obviously, one of the critical missions of your agency, as you have already mentioned in your statement, is creating jobs that are made in and stay in America, and that is exactly right. We have to really focus on jobs.

There are so many programs within your agency and administrations within your agency that are going to create jobs, and we have to maximize the potential of that job creation. And that is why one of the recommendations that I made to you, and I am exploring it as well, is to create a jobs coordinator within the agency so that you can be singularly focused in bringing together all of the potential of all the programs and administrations under your jurisdiction to create jobs and making sure they stay in America.

For example, you have got the International Trade Administration. You have got the economic development program that is so essential, the Manufacturing Extension Partnership, the national telecommunications. Obviously, all the trade issues that are so important.

So I think that we have to maximize that potential, become singularly focused in coordinating that under one person that reports to you because it is now more important than ever given the level of unemployment. And we are, unfortunately, at a juncture where we have got people making unemployment claims, which are now the highest since the 1960s. And so, it really truly is troubling. I

think we have to do everything we can to enhance that capability within the Commerce Department.

As far as trade is concerned, another issue that I mentioned, I happen to think that we ought to coordinate all of the enforcement activities under the jurisdiction of the Commerce Department, and specifically the International Trade Administration.

I think that the USTR has sort of conflicting missions, negotiating trade agreements and then having to enforce them. And the public petitions simply don't get recognized by the USTR; it has been 12 years since they have acted upon a public petition.

So I would like to see all of the enforcement activities come under the jurisdiction of the International Trade Administration. That way, we would have singular capability of making sure we are represented when it comes to violation of trade agreements in addition to the anti-dumping and the subsidy responsibilities that are already under the mission of the International Trade Administration.

I just think that is so important in this day and age when we are losing jobs to make sure that we are dealing with a level playing field when it comes to trade enforcement.

Finally, on fisheries, you have heard so much, and I express this as well: I am really appreciative of your expertise in this area because it is so complex and it is critical. Your nomination couldn't come at a more pivotal time for fisheries, and that is certainly true in New England.

We are facing enormous hardships with the groundfish industry, for example. I explained to you what happened with the New England Management Council's decision that, unfortunately, got undermined by one vote: the regional administrator's. It was 15–1, to move in a direction to reduce the days at sea, but not as dramatically and drastically as the agency decided in overturning that decision by the Council.

The Inspector General just came out with a report that underscores what I mentioned to you in our meeting, that is there is a tremendous level of distrust between the fishermen in New England and the National Marine Fisheries Service. It is something that we have to restore. We have to create a confidence, and that means in the integrity of the science and also in the way in which these decisions are made.

So I hope to work with you on this because it is so critical and so pivotal. We have got to preserve our fishermen as we preserve the fish stocks, and that is simply not happening. And we are not going to survive this year, given the interim regulation they just issued in order to move ahead to the sector management in 2010. So I hope we can explore that further in the future.

Again, Mr. Chairman, I thank you.

The CHAIRMAN. Thank you, Senator Snowe.

Senator Martinez?

STATEMENT OF HON. MEL MARTINEZ,
U.S. SENATOR FROM FLORIDA

Senator MARTINEZ. Mr. Chairman, thank you very much.

Governor, I am delighted to have a chance to welcome you as well and congratulate you on your nomination, as well as your family. Your willingness to serve is appreciated.

I should tell you at the outset that I enjoyed very much our opportunity to chat, and as you know from my comments to you on that day, I am vitally interested in the issue of trade. The State of Florida is a state that benefits greatly from trade. It benefits greatly from the opportunity of job creation as a result of trade.

You obviously know that because you were so forceful in leading many successful trade missions during your time as Governor, and I know that your State and mine both have seaports, and the proximity to overseas markets make us particularly attuned to these issues.

I am concerned about the protectionist attitudes that seem to pervade at this moment in history. The issue with Mexico that former Secretary, Governor, and now Senator Johanns brought up is one that I greatly share his concern.

I share the concern about TPA. I am also terribly concerned about the fact that we could never get Congressional approval of the free trade agreement with Colombia, one that I think would enhance our opportunity for job creation not only in the State of Florida, but in companies like Caterpillar.

Heavy equipment is what they import there. Colombia is moving on to do trade agreements with other countries, competitors of ours. They will enter into long-term agreements to purchase heavy equipment from others like perhaps Germany, where they are in negotiations for a trade agreement. So we are going to fall behind.

And I think it is incumbent upon you to provide the leadership that this Administration needs to be a clear voice on the issue of trade. In this time of economic turmoil, I think that protectionism is the last thing we need.

I will mention to you that your predecessor, Carlos Gutierrez, who was also mentioned by Senator Johanns, and I share a great friendship. And I also admire greatly that he got terribly involved and deeply involved in the issue of immigration. Not exactly in the portfolio of the Commerce Secretary, but he joined with the Secretary of Homeland Security and was a strong partner as we work for a comprehensive immigration reform solution to this Nation's immigration problems.

I hope that you will raise your voice. I know you are sensitive and understand the issue in your own life and in your own family, as I do, and that you will have the opportunity to weigh in and help us to move forward an agenda that will include a comprehensive immigration reform bill that I think will be good for our country.

I join the Ranking Member also in talking about the issue of hurricanes, very important to a coastal State like Florida. So NOAA is a very, very vital part of hurricane preparedness.

I have been involved in presenting some bills, I think I mentioned to you during our conversation, relating to better research, particularly on issues of storm surge, mitigation of damage, and things of this nature. I hope that we can continue to talk about these issues as you take office.

And in conclusion, I should say take heart because Chairman Sarbanes, when I was before the Banking Committee for my confirmation, Mr. Chairman, was not as kind as you. And I did not realize that I would get to give a statement at some point during the course of the day, as everybody went around the table.

But, anyway, best of luck to you. I wish you great success. I enjoyed my time in the Cabinet. I know you have a very exciting assignment ahead and lots of challenges.

But I do look for you to provide what I think is essential leadership in this Administration on the issue of trade. You know it. You understand it. You know the benefits of it. You now need to be the advocate because the confusing and mixed signals that we are sending to the world are not good.

And I think particularly as it relates to our friends—Mexico is a neighbor and a good friend. We need Mexico to be economically and politically strong. And right now, going back on our commitments on NAFTA is not the way to do it.

Thank you very much.

The CHAIRMAN. Thank you, Senator Martinez.

And now, Senator Klobuchar?

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

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

And welcome, Governor Locke. You are only just a few Senators away from giving your statement.

I also wanted to welcome your wife. I, too, have spent a significant time in Green Bay in our neighboring State of Wisconsin, which we always think of as the "beer and bratwurst capital" of the United States.

And I do have a button I can give you from my last campaign visit on behalf of the President to Wisconsin. My favorite one, "Brat Obama." And that, you could wear that to your first Cabinet meeting.

[Laughter.]

Senator KLOBUCHAR. I am sure you would look very impressive.

I was just, as I listened to the great tributes to you from your fellow Governors, I think you can have nothing better than that, as well as our Senators from Washington. I was struck by a number of them, including Senator Cantwell, that talked about your management experience, and that was my impression when we met. And how important that is to this job as you look to managing not only the census, but also managing the digital TV transition.

We talked about how in my state, 21 percent of the people still have the rabbit ear or the old TVs, and I was one that believed that because of the mismanagement of the program that we needed a little more time. I remember asking the FCC Commissioner if he truly wanted to go on a roof in Minnesota in the middle of February to try to adjust the antenna.

I think this little more time is a good thing, but yet you are inheriting something of a messy program, and I believe we can do it. We have already transitioned some of our stations in our state, and it has gone well so far. So I think it has actually helped us that

some of the stations have already transitioned. So we look forward to working with you on that.

Second issue that has been mentioned by many of the Senators is the broadband issue. I think that this is a true, true opportunity to get our country up to date. We went from fourth in the world, industrialized world, for Internet subscribership to 15th in just 8 years. Jobs that we could be placing in Thief River Falls, Minnesota, have been going to other countries. And I think that this Internet expansion is so important to our country.

I think back to 1935, when President Roosevelt looked across the landscape and saw that only 12 percent of the rural households had electricity. And then, 15 years later, 75 percent of them had electricity. And I see this issue of Internet and broadband, the rural electrification issue of this decade.

So I think this is a great opportunity to try to get our system up to date. It has been mentioned there are all kinds of issues with what areas. I can tell you in our State there are a number of areas that may have Internet service, but it is incredibly slow or it is incredibly expensive. So we have to look at those areas as well.

I am going to be chairing—Martinez is the Ranking Member—the Competitiveness, Innovation, and Export Promotion Subcommittee. So we hope with your experience in promoting American products abroad, we can have some discussions and work on those issues.

And I am also going to be chairing a tourism hearing, and I know that is one issue that hasn't been mentioned, as we are in these troubled times. But tourism is still a very important industry to this country, and we would like the Commerce Department's help in promoting tourism in these troubled times, understanding that it is still very important that so many Americans make their livelihood in the tourism industry.

And then, finally, Senator Cantwell talked about the work with NOAA and oceans. Just a reminder that the Great Lakes are also included in that. For 2 years, I served on that subcommittee. As I told the Chairman, I couldn't quite figure it out at the beginning, given that I am from Minnesota and it was called the Oceans Subcommittee. But then I realized it was because I could see Lake Superior from my porch.

But I will tell you, Governor Locke, that the Great Lakes issues are incredibly important. We have seen issues with Great Lakes restoration, ballast, invasive species, and I hope that you keep this high on the front burner when you look at NOAA and the work that is done, that we make sure that there are significant resources and focus on the Great Lakes as well as our great oceans.

Thank you very much. We look forward to working with you.

The CHAIRMAN. Thank you, Senator Klobuchar.

Senator Nelson?

STATEMENT OF HON. BILL NELSON,
U.S. SENATOR FROM FLORIDA

Senator NELSON. Mr. Chairman, how long do I have?

The CHAIRMAN. Four big ones.

Senator NELSON. I can make it very quick, Mr. Chairman.

I support you, Governor. I enjoyed our visit. I have a series of questions that I will proffer for the record that you can answer that go all the way, and this is an amazing department how many subjects that you have to control.

The questions that I will submit go all the way from managing the fishery stocks. We have a problem in Florida on snapper and grouper. And the question is, is it plentiful or is it being reduced, and getting accurate information?

Of course, all the questions around climate change, including organizational questions about: should the National Climate Service be situated within NOAA? And how are you going to continue the satellite sea level rise measurement, such as the Jason–3 and other Jason-type capabilities in our satellites? How are—as you get into climate change, to make sure that all governments at all levels understand the consequences of climate change?

The single-point failure on tracking hurricanes—single-point failure, one G–IV. If it is down for maintenance or for an accident, we don't have that increased 15 percent accuracy capability that we have now.

Of course, the census has been raised—to accurately count the census.

The NTIA, as an entity, should coordinate closely with the FCC on telecommunications policy. Question of getting broadband out into as many areas as possible versus to as many people as possible by making it affordable. That is an issue in your department.

The joint project agreement having to do with assigned names and numbers on the Internet, and should that JPA, that joint project agreement be extended? So those are just a couple to digest as you take on this enormous responsibility.

Thank you for your offer of yourself for continued public service.

Thank you, Mr. Chairman.

The CHAIRMAN. Nicely stated, Senator Nelson.

Senator Udall?

STATEMENT OF HON. TOM UDALL,
U.S. SENATOR FROM NEW MEXICO

Senator UDALL. Thank you very much, Chairman Rockefeller. Great to be at this hearing today.

And welcome, Governor Locke. It is a real pleasure to have you here.

And I just want to say the accolades you have received from all your former Governors say a lot about you. I was never a Governor. I was a State Attorney General, and I served with several Governors, but I belonged to an association that had the acronym of NAAG. And they always used to accuse us, I know the Governors did, of the "National Association of Aspiring Governors."

[Laughter.]

Senator UDALL. Which I have not aspired to do at this point, but I think these Governors that I served with, and Governor Rockefeller here, have set a great example of public service.

Several of the Senators have talked to you about what we should do in rural areas. And I know in our discussion earlier, you talked—outside this committee room, you talked about the rural areas in Washington and getting digital into those areas and mak-

ing sure that people understand the transition to digital TV. You also talked about broadband in the rural areas.

And so, I think you can see there is a real consensus on the Committee, on both Democratic—the Democratic and Republican side that we want to see those things happen. We want your attention put there.

This $650 million I think that has been given to you in the stimulus package for coupon assistance is something that is important to us, and I just hope that you make sure that that is administered in a very transparent way. And so that we get out in those rural areas and get people taken care of.

The other issue I wanted to mention, and you in particular, as a Governor, I think have this experience. You have many tribes in Washington. We do also in New Mexico. Senator Klobuchar does in Minnesota. There are many other states that have Indian tribes. They are really hurting in terms of economic development. They have been left behind in many, many areas, and I hope that your department will make that a top priority, working with the tribes, working with their economic development efforts.

It is something that I hope will be done collaboratively. I know Ken Salazar shares the same feelings you do, over there at the Department of the Interior. And I think seeing Interior and the Department of Agriculture and the Department of Commerce and probably other departments working together would make a—could make a real difference on what is a very dire situation.

Just to remind you, at least for my tribes, many of the Indian reservations in New Mexico have 50 percent unemployment. You know, if we had those kinds of numbers any place else across the country, we would call it an emergency. We would have an immediate response of Government that we would move out there and get some things done immediately.

So I hope you take it with that urgency, and I have some other questions. Because we are limited here in terms of time and I have another commitment, I am going to submit those for the record. But I certainly wish you the greatest of success and look forward to working with you on all of the issues that your department covers, which have a big impact in New Mexico and across the West.

Thank you.

The CHAIRMAN. Thank you, Senator Udall.

I am just going to make up a question here not off my time, which now goes to 5 minutes per person. And that is that you will respond to any and all questions that we pose to your department? Some departments are better than others.

[Laughter.]

The CHAIRMAN. And we have an investigations group. So I mean, we take—I serve, still do, on the Intelligence Committee, and we get no cooperation. And so, you have to do that. You have to hold out that subpoena power, or whatever it is. I assume we will never have to use it on you. But I just want you to know that we are going to be an aggressive committee, and we will be proud to be that way.

My questions are——

Senator HUTCHISON. Mr. Chairman, opening statement?

The CHAIRMAN. It would probably be decent if you gave an opening statement.

[Laughter.]

STATEMENT OF HON. GARY F. LOCKE, SECRETARY-DESIGNATE, U.S. DEPARTMENT OF COMMERCE

Mr. LOCKE. Well, thank you very much, Chairman Rockefeller.

And actually, maybe we could—I am even tempted to dispense with an opening statement and get right into your questions. But I will take this opportunity to make a few remarks.

I want to thank you, Chairman Rockefeller and members of this Committee. I am truly humbled and honored to be here today, seeking your approval, seeking your confirmation as Secretary of Commerce.

Over the past few weeks, I have had the opportunity to meet with most of the members of this Committee to discuss the need for a vibrant Department of Commerce, one that aggressively promotes American products, services, and ideas both here at home and abroad while protecting our environment.

We share a common vision for this department—to be an engine of innovation, job growth, and economic renewal—and I look forward to working with all of you to achieve this vision, if confirmed.

Mr. Chairman, I want to thank you, as well as the distinguished Ranking Member, Senator Hutchison, for the courtesies that you have shown me in the 3 short weeks since President Obama nominated me to be Secretary of Commerce. I appreciate how expeditiously you have moved this confirmation forward.

I am particularly grateful to my two Senators from the great State of Washington, Senator Patty Murray and Senator Maria Cantwell. I want to thank them for their kind introductions. Over the years, I have worked closely with both Senator Murray and Senator Cantwell in the other Washington in our capacity as members of the State legislature and then once they came here to this Washington.

We have been able to collaborate closely on the issues facing the people of Washington State and our Nation, and I am looking forward to the opportunity of serving with them again, but in this Washington.

Mr. Chairman, even though he is not able to attend the hearing today, he did stop by earlier, and that is Senator Inouye, a great patriot who served our country valiantly in World War II, as did my father. He has been a great role model and inspiration to so many Asian Americans and Pacific Islanders.

I also want to reintroduce again my wife, Mona, who is able to join me today. As First Lady for the State of Washington, she spent 8 years tirelessly promoting the critical importance of early learning. That learning cannot wait until kindergarten, that really it starts from the time of birth.

And she did this well before it was popular, and she is now doing a great job as Executive Director of the Puget Sound Susan G. Komen for the Cure Foundation, focusing on education, prevention, and research for breast cancer.

Our children—Emily, Dylan, and Madeline—can't be here today. But like all of the Locke family, they are very much a part of these

hearings. As has been mentioned, I am the son and the grandson of immigrants. My family's history in this country dates back to more than 100 years.

My grandfather came to the United States from China and worked for a family in the State capital of Olympia, Washington. He washed dishes, swept floors, and cooked meals in exchange for English lessons. He lived in a house just one mile from the Governor's mansion. And when I was sworn in as Governor, I remarked that it took our family 100 years to travel that one mile.

But our family's story is really the story of millions and millions of Americans since the beginning of this great Nation. It is a story founded on the American promise of freedom, hope, and opportunity, and it is precisely those values that led me to come before you today, seeking your confirmation to be the Nation's 36th Secretary of Commerce.

The Department of Commerce touches ordinary American citizens in so many ways every single day. From the weather satellites to NOAA, to the global offices of the International Trade Administration, and from the laboratories of the National Institute of Standards and Technology to the many communities that benefit from the Economic Development Agency programs.

Next year, as the Department conducts the 2010 Census, more than 1.2 million temporary Commerce employees will fan out across the country to provide a full and physical count of the American people.

While the Department of Commerce has incredible depth and breadth, I want to provide a unifying mission. And if confirmed, I will develop an aggressive, integrated, agency-wide program to create and protect American jobs.

The goal is simple—to carry out the President's plan for economic recovery by focusing the Department of Commerce on saving American jobs and creating family-wage jobs for the future. We must look over the horizon and prepare for the new economy that will emerge when this recession passes. Simply put, we must rebuild, retool, and reinvent our national strategies for sustained economic growth.

The Department of Commerce, as the President has noted many times, must be able to do multiple things all at once. And with the talented staff of the Department of Commerce, I know we can do all these things and, indeed, more.

We must create public-private partnerships that bring together businesses, other Federal agencies, State and local governments, universities, and community-based organizations. And together, we will come up with innovative solutions to create jobs that are made in America and stay in America; to foster entrepreneurship and growth across all sectors of the economy; to deliver broadband to communities far and wide, urban and rural; to support innovation through cutting-edge, honest science; to protect our global ecosystem; and to reduce our Federal deficit by positioning the United States as a world leader in exports.

In my home State of Washington, trade is the lifeblood of our economy. We are the most trade-dependent State in the Nation, with nearly one to every three to four jobs directly or indirectly tied to trade. And there has never been a more important time for this

country to have strong and fair trade partnerships around the world, partnerships that protect our national interests while opening the doors of prosperity to American businesses and raising the standard of living for developing countries.

In both the public and private sectors, I have worked hard to open global markets for American-made goods and services. And more than free trade, though, I believe in fair trade. And this means we must enforce our trade agreements. And if confirmed, I will not only help negotiate complex trade agreements, I will enforce them. As a former prosecutor, I believe in vigorous and even enforcement of the law.

The success of the Department of Commerce has never been more important to the economic success of America. It is my hope that you and the people of this great Nation will come to know the Department of Commerce as a champion of knowledge, innovation, and sustained economic growth.

Mr. Chairman, thank you again for the opportunity to address this Committee. Should you confirm my nomination, I pledge, as Secretary, that I will continually and frequently inform and consult with the members of this Committee.

I now look forward to your questions. Thank you.

[The prepared statement and biographical information of Mr. Locke follows:]

PREPARED STATEMENT OF HON. GARY F. LOCKE, SECRETARY-DESIGNATE, U.S. DEPARTMENT OF COMMERCE

Chairman Rockefeller, it is with a great sense of honor and humility that I come before you and the members of this Committee today. I want to extend my personal thanks to you and to the distinguished Ranking Member, Kay Bailey Hutchison, for the courtesies you have shown me. It has been just three short weeks since President Obama nominated me to be Secretary of Commerce and I appreciate the urgency with which you have moved this confirmation process.

Over the past few weeks, I have had the opportunity to meet with members of this Committee to discuss the need for a vibrant Department of Commerce that aggressively promotes American products, services and ideas both at home and around the world. We share a common vision for this Department to be an engine for job growth and economic renewal. I look forward to working with all of the Committee members, if confirmed.

I am particularly grateful to my two Senators—Patty Murray and Maria Cantwell—for their introductions. I have benefited from the sage wisdom of Senator Murray for many years and had the privilege of serving with Senator Cantwell when we were in the state legislature together. The people of Washington are proud to have two such able leaders representing us in the U.S. Senate.

The honor of appearing before you today is compounded by the presence of one of my mentors, Chairman Daniel Inouye of Hawaii. Generations of Asian Americans and Pacific Islanders who choose to enter politics have him to thank for blazing the trail for all of us. Senator, you are a great role model and I offer you my most profound "Mahalo."

I'd like to introduce the members of this Committee to my wife, Mona, who joins me today. As First Lady for the State of Washington, she spent 8 years advocating for issues relating to children and families. She continues her advocacy to this day as Executive Director of the Susan G. Komen for the Cure's Puget Sound affiliate, where she has been a leading voice in the fight to cure breast cancer.

My children—Emily, Dylan and Madeline—cannot be here today, but like all of the Locke family, they are very much a part of these hearings. You see, I am the son and the grandson of immigrants. My family's history in this country dates back more than a century when my grandfather emigrated from China to Olympia, Washington. He got a job as a "house boy" for a family whose home still stands, just one mile from the Governor's mansion. During my tenure as Governor, it was never lost on me that it took my family 100 years to travel that one mile.

That journey—like the journeys of so many immigrant families—was possible because of the opportunities we were afforded in this land.

- My grandfather received an education because his employers chose to teach him.
- My father, who fought for our country on the beaches of Normandy, was able to come home from the war and support his family through his grocery store because of the value this country places on entrepreneurship.
- And I was able to become the first Asian American Governor on the mainland because of the sons and daughters of Italian and Russian immigrants and African Americans who had been elected to represent Washington State before me. They didn't just make history for themselves and their communities. They opened doors of possibility for all of us.

My family's story—and the stories of all those other families—is embedded in the values that make America great. And it is precisely those values that lead me to come before you today seeking your confirmation to be the Nation's 36th Secretary of Commerce.

My goal is simple: to carry out the President's plan for economic recovery by putting every part of the Department of Commerce single-mindedly to work on saving American jobs and creating the jobs of the future.

The Department of Commerce touches ordinary American citizens in ways obvious and obscure every day—from the weather satellites of NOAA to the global offices of the International Trade Administration and from the laboratories of National Institute of Standards and Technology to the many communities that benefit from Economic Development Agency grants.

Next year, in the conduct of the decennial Census, more than 1.2 million temporary Commerce employees will fan out across the country to provide a full, accurate and physical count of the American people. Mr. Chairman, as you know, I'm a stickler for accuracy. The Census only happens once every 10 years and we need to get it right—no exceptions, no excuses. That is why it will be run out of the Department of Commerce and by a Director who will work with the Congress, the Administration and our state and local leaders to make sure you and they are involved every step of the way in making this a successful count.

We meet at a time of great challenges for the Department. The ongoing transition to digital television, the looming 2010 Census and the critical role the Department will play in the economic recovery—all create a sense of urgency. I think urgency is a good thing because it lets the people at the Department of Commerce know that their work has never been more important and that we must solve the immediate challenges we face.

At the same time, I want to make sure we don't allow the urgent to crowd out the important:

- Setting a foundation for long-term economic growth and job creation is important.
- Improving weather forecasting is important.
- Managing our fishing industry responsibly is important.
- Reducing the backlog of patent applications is important.

We must look over the horizon and prepare for the new economy that will emerge when this recession passes. Simply put, we must re-build, re-tool and re-invent our national strategies for sustained economic success. The Department of Commerce, as the President has noted many times, must be able to do multiple things at once.

I believe we can.

When the high tech bubble hit Washington State, we pressed forward with a series of smart policy initiatives that set us up for future growth and created incentives to drive economic expansion. And we set a laser focus on attracting and developing the next generation of innovative and emerging industries. We came out of that period stronger, healthier, and better prepared to embrace economic change. That is the kind of leadership I hope to bring to the Department of Commerce.

Already, the Department holds key tools our Nation needs:

- To lead the world in innovation, science and technology,
- To boost exports by promoting American products and working with American businesses,
- To ensure the health of our oceans and combat climate change,
- To create new, energy-efficient businesses and green jobs, and
- To strengthen our ability to compete in a global economy.

Now, these tools, which have been too long ignored and fragmented, must become effective solutions to implement the President's vision of job growth and economic renewal.

Mr. Chairman, as you and the members of this Committee know, I started my political career as a legislator. I felt then, as I later did as Governor, that government works best when there is a true and open partnership between the executive and legislative branches. Should this Committee confirm my nomination, I pledge that as Secretary, I will follow a collaborative path to inform, cooperate with and seek advice from this Committee.

We can create public-private partnerships that bring together businesses, other Federal agencies, state and local governments, universities, and community-based organizations. Together we will come up with innovative solutions to:

- Create jobs that are made in America and stay in America,
- Foster entrepreneurship and growth across all sectors of the economy,
- Deliver broadband to communities far and wide,
- Support innovation through cutting-edge, honest science,
- Protect our global ecosystem, and
- Reduce our Federal trade deficit by positioning the United States as a world leader in exports.

I hail from the "other Washington" where trade is the lifeblood of our economy. We are the most trade dependent state in the Nation with more than one in four jobs in our state either directly or indirectly tied to trade. There has never been a more important time for this country to have strong trade partnerships around the world—partnerships that protect our national interests while opening the doors of prosperity to American business. As a Governor and an attorney, I have worked hard to open markets in Asia to American businesses.

More than free trade, though, I believe in fair trade. That means we must enforce our trade agreements and place a high value on environmental, labor and safety standards. As a former prosecutor, I believe in enforcing the law. It is pointless to negotiate complex trade agreements if we don't intend to enforce them. If I am confirmed for this position, I will.

The success of the Department of Commerce has never been more important to the success of the United States. It is my hope that, in years to come, the constituents and workers will come to think of this as the Department of Commerce and Innovation. Sustained and sustainable economic success is dependent on America maintaining its global leadership in innovation. Innovation drives productivity and collaboration; it allows mature companies to do better and new businesses to be formed. It offers opportunities for workers to use new skills in creative ways. It sustains communities as they create their own competitiveness strategies. I intend to integrate the work of the Department of Commerce toward a strategy of knowledge, innovation and sustainable economic growth.

Together, we will energize the Department of Commerce. We will include the American people in rebuilding the economy. And we will say to the world, as clearly as possible, that America is open for business, once again.

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

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Gary Locke.
2. Position to which nominated: Secretary of Commerce.
3. Date of Nomination: March 16, 2009.
4. Address (List current place of residence and office addresses):

   Residence: Information not released to the public.
   Office: 1201 Third Ave., Suite 2200, Seattle, WA 98101.

5. Date and Place of Birth: January 21, 1950; Seattle, Washington.
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).

   Mona Locke (Spouse), Executive Director, Puget Sound Susan G. Komen For The Cure; children: Emily Locke, 12 years; Dylan Locke, 10 years; Madeline Locke, 4 years.

7. List all college and graduate degrees. Provide year and school attended.

Yale University, Bachelor's Degree, Political Science, 1972.
Boston University, LLD, 1975.

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.

Partner, Davis Wright Tremaine LLP, Seattle, WA.

*Governor, State of Washington, 1997–2005.

*King County Executive, King County Washington, 1994–1997.

*Representative, State of Washington House of Representatives, 1983–1994.

*Chair, Appropriations Committee, State of Washington House of Representatives.

*Attorney, Economic Development Manager, Pacific Northwest Bell, 1986–1989.

Attorney, Seattle Human Rights Dept., 1981–1983.

Prosecuting Attorney, King County Washington, 1976–1980.

Attorney, Garvey, Schubert & Barer, Sept. 1984 to Dec. 1984.

Attorney, Washington State Legislature, Jan. 1981 to May 1981.

Legal Intern, King County Prosecutor's Office, June 1974 to Aug. 1974.

9. Attach a copy of your resume. See Attachment 1.

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.

Port of Seattle Funding Policy and Strategic Planning Committee, Fall 2008.
Washington State Life Sciences Discovery Fund, Trustee, 2005–present.

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.

Davis Wright Tremaine LLP, Seattle, WA, Partner.

Safeco Inc., Seattle, WA, Director, 2005–2008.

mInfo Inc, Seattle, WA, Director, 2005–present.

Key Technology, Walla Walla, WA, Director, 2008–present.

Blue Marble Energy, Seattle, WA, Advisor, 2008–present.

General Biodiesel, Seattle, WA, Advisor, 2008–present.

Waggener Edstrom, Bellevue, WA, Advisor, 2007–present.

Q-Tires, Greenville. SC, Advisor, 2008–2009.

Eden Rock, Seattle, WA, Advisor, 2008–present.

Mountains to Sound Greenway Trust, Seattle WA, Trustee, 2005–present.

Digital Learning Commons, Seattle, WA, Trustee, 2005–present.

Fred Hutchinson Cancer Research Center, Seattle, WA, Trustee, 2006–present.

Seattle Art Museum, Seattle, WA, Trustee, 2006–present.

5th Avenue Theatre, Seattle, WA, Trustee, 2006–present.

College Success Foundation, Issaquah, WA, Trustee, 2006–present.

Life Sciences Discovery Fund, Seattle, WA, Trustee.

Co-Founder, America's Opportunity Fund PAC, 2005.

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.

Committee 100, Member, 2005–present.

13. Have you ever been a candidate for and/or held a public office (elected, nonelected, or appointed)? If so, indicate whether any campaign has an outstanding

Relate to Nominated Position.

debt, the amount, and whether you are personally liable for that debt: Yes. No outstanding debts.

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.

Bruce Harrell, Seattle City Council, 10/03/2007, $500.

Page Miller, Seattle City Council, 10/21/2005, $500.

Peter Goldmark, Congress, 11/04/2006, $700.

Democratic National Committee, 11/17/2000, $500.

Obama Victory Fund, 10/08/2008, $2,000.

William Sherman, State Representative, 09/13/2007, $500.

Terry Bergeson, WA Superintendent of Public Instruction, 10/23/2008, $500.

Asian-American Leadership Council—Obama for America, 2008.

Surrogate, Kerry/Edwards Presidential Campaign, 2004.

Chair, Democratic Governors Association, 2003–2004.

Vice-Chair, Democratic Governors Association, 2001–2003.

Surrogate, Gore/Lieberman Presidential Campaign, 2000.

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

Boston University, Honorary Dr. of Law.

Eastern Washington University, Honorary Dr. of Law.

University of Puget Sound, Honorary Dr. of Law.

Seattle University, Honorary Dr. of Law.

Peking University, Honorary Dr. of Law.

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.

Columns:

Bellingham WA Herald, *Initiative 1000 Pro: Allow the Dying to Chart Their Own Destiny,* 10/25/2008.

Seattle Post Intelligencer, *The Triumph of Terry Bergeson,* 10/14/2008.

Puget Sound Business Journal, *Research and the Ecosystem of Innovation*, 3/14/2008.

Seattle Times, *Helping Working Families a Good Deal for Everyone*, 3/03/2008.

Seattle Times, *Reject Bigger Noisier Viaduct*, 2/27/2008.

Seattle Times, *Former Governors Call For Tougher Gun Safety Laws,* 4/06/2006.

Seattle Times, *I–330s Damage Limits Won't Lower Insurance Rates*, 10/26/2005.

Speeches:

China International Food Safety and Quality Conference and Expo, Beijing, China, September 24–25, 2008, Subject: Food Safety.

Western Pension Benefits Spring Conference, April 23, 2008, Subject: Globalization Microsoft Corp., Seattle, WA, November, 19, 2007, Subject: U.S.-China Internet Forum.

Clearpoint's Global Business Symposium, Seattle, WA, May 2007, Subject: Globalization.

BOAO Forum for Asia Annual Conference, Hainan, China, April 2007, Subject: Climate Change.

Law Seminars International Conference, Seattle, WA, December 2006, Subject: Intellectual Property Issues in China.

NW Food Manufacturers and Packaging Expo, Portland, OR, January, 18, 2006, Subject: Keynote Address.

Washington State Bar Assoc. Corporate Law Dept. Quarterly Dinner, Seattle, WA, June 21, 2005, Washington Business and the Global Economy.

Government Leaders Forum, Beijing, China, April 2007, Subject: Technology in Education.

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.

U.S. House of Representatives, Spring, 1996, regarding negative impacts of professional sports franchises (namely Seattle Seahawks) leaving/abandoning communities.

U.S. Senate, Spring, 2001, regarding West Coast Crisis and urging wholesale electricity price caps.

U.S. House of Representatives, Committee on Government Oversight and Reform, July 1998. Deposition before committee staff on Chinese political fundraising efforts in the United States.

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 wish to serve as Secretary of Commerce because I believe there is a vital role for the Department of Commerce in our economic recovery. The unique strengths of the department and its talented public servants make it a natural agency to serve as the catalyst for America's economic recovery and resurgence. The Department of Commerce can play a vital role in renewing our Nation's place as the forefront of innovation—in green jobs, energy independence, while at the same time we restore our position of respect in the world.

In this regard, I believe I bring the necessary experience to reenergize the Department of Commerce to become this new center of innovation for our Nation, and engage in a new economic diplomacy with the world.

As a two-term Governor of the Nation's most trade-dependent state, I broke down trade barriers around the world to advance American products. For the past 4 years, I have been a successful business advocate and adviser, helping U.S. companies break into international markets, particularly in Asia, and expand their international business.

I bring broad and diverse trade and economic development leadership experience in the public and private sectors and have worked closely with business, labor and government at all levels to successfully negotiate complex issues.

I have a strong record of effectively working across party lines to find common ground and solve intractable problems. During my tenure as Governor, Washington State was recognized as one of America's five best managed states by *Governing Magazine,* and as the most Digital Government in America.

To open doors for Washington State businesses, I led 10 highly productive trade missions to Asia, Mexico and Europe, significantly expanding the sales of Washington products and services. I successfully fostered economic relations between China and Washington State. My visits are credited with introducing Washington companies to China and helping more than double the state's exports to China to over $5 billion per year. I also opened a Washington State trade office in Germany to advance trade relations with European countries.

I firmly believe in the creativity and productivity of the American worker. As America's Secretary of Commerce, I will hold firm to the measuring stick laid out by President-Elect Obama—"Are we creating good jobs, instead of losing them? Are incomes growing, instead of shrinking?"

In conclusion, I do not claim to know everything about Commerce. But, I will reach out to members of the Senate and House, and others with a deep knowledge inside and outside of the agency. As anyone who has worked with me will attest, I'm never satisfied from pat answers and refuse to depend on briefing book solutions. I have always been determined to understand where people are coming from, what they hope for, and what I can do to help. I believe that is our responsibility as public servants, and as a democratic government.

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?

The responsibility of the Department of Commerce is to serve the American people by implementing the agenda of the President and the Congress as it relates to job creation, economic growth, sustainable development and improved living standards. As a person with extensive experience at the Cabinet level and having run

a state, I know first hand what it takes to turn a large government bureaucracy into a highly functioning arm of the people. I'll seize this opportunity by:

(1) Establishing a clear and ambitious strategic vision. This is where great leadership starts. We will make sure that everyone in the department wakes up with a sense of exactly where we are going as a team and what we must achieve together. People provided with unambiguous goals and vision will be more inspired and effective contributors to the team.

(2) Recruiting, appointing and retaining great personnel talent. The American government ought to be staffed and run by the top talent that the Nation has to offer. We will be reaching out across business, government and academia to find the best and brightest—people with a great contribution to make to our future. We will seek out those who are motivated by the desire to make a difference. The country is hungry for change and I want people at Department of Commerce hungry to contribute to that change.

(3) Demanding excellence and accountability from everyone in the Department. Excellence does not happen by accident. Excellence happens when it is expected in everything an organization does. Our standards must be high because Americans have the right to demand the best. They also demand accountability. I am committed to putting in place cutting edge best management practices to assure we achieve both excellence and accountability from every person in the department.

(4) Seeking advice and input out from a diversity of experts and stakeholders; including those who disagree philosophically or ideologically with our programs and direction. Listen. Listen. Listen. No mantra has been more important to my success as a legislator or executive. Decisions are no better than the information, ideas and arguments which serve to inform them. My staff will be highly accessible to anyone with a great idea.

(5) Creating a team environment. You can't effectively manage a department as large, diverse and complex without creating strong teams from top to bottom and without creating a department-wide sense of belonging to a larger team. This will be a huge priority for me.

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

Overall, economic recovery is the number one priority for the Department of Commerce. This agency can, must and will play a key role in planning and executing the President's economic plan. As President-Elect Obama has stated "the Department of Commerce must and will be an unyielding advocate for American business and American jobs, at home and around the world."

In specific, I believe there are three immediate challenges facing the Department:

- *2010 Census:* The 2010 Census currently runs the risk of being less accurate than 2000, and is at risk of significant operational failure.
- *Digital TV Conversion:* The Department will face an immediate challenge in addressing the conversion to digital television signals scheduled for February 17, 2009. Should the conversion not be managed effectively, many households may be without television reception for an extended time.
- *Reliability of weather and climate forecasting:* NOAA's polar satellite program is currently over budget, sensors are behind schedule, and there is a risk that nothing will be launched before the old satellites stop working, leaving a major gap in critical weather forecasting and information.

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.

Washington State Retirement Systems, Washington State Pension.
Davis Wright Tremaine 401(k) retirement plan (no contributions are made by the firm).

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: None.

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: Microsoft Stock.

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.

Microsoft, Weyerhaeuser, and other past clients while at the law firm of Davis Wright Tremaine LLP. All such clients have been disclosed to the U.S. Office of Government Ethics and the Department of Commerce, Office of General Counsel, Ethics Division.

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.

In 2006 I assisted Capital Imaging LLC, dba as Upright MRI of Seattle, in meeting with officials of the Washington State Department of Labor and Industries to resolve reimbursement matters and to seek eligibility for future reimbursement for medical procedures using new MRI technology.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items: Will be governed by Federal and Commerce Department ethics rules.

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.

WSBA File No. 05–00905, June 7, 2005, Current Status: Closed.

Mr. Locke's law firm was retained to represent plaintiffs in a lawsuit contesting the results of Washington State's 2004 gubernatorial election, but Mr. Locke did not participate in the case. The grievance alleged that, prior to trial, Mr. Locke improperly made a public statement that was inconsistent with the clients; position and the statement was reported in the news media. Disciplinary Counsel dismissed the grievance due to insufficient evidence that the firm's representation of the clients may have been materially limited by Mr. Locke's responsibilities to a third person or his own interests. The grievant protested the dismissal and a Review Committee of the Disciplinary Board affirmed the dismissal on May 6, 2006.

WSBA File No. 06–00693, April 27, 2006, Current Status: Closed.

Grievant alleged that, as a member of a corporation's Board of Directors, Mr. Locke violated Federal law by approving certain corporate actions which benefited a corporate officer who was running for public office. Similar allegations had been brought before the Federal Election Commission and in a shareholder suit in U.S. District Court, neither of which found any violation. Disciplinary Counsel dismissed the grievance on May 1, 2007 due to insufficient evidence of misconduct.

WSBA File No. 08–00920, June 10, 2008, Current Status: Closed.

The grievant alleged that, as Governor, Mr. Locke had taken an improper policy position on a legislative and budgetary matter that was later the subject of a lawsuit. Disciplinary Counsel dismissed the grievance due to insufficient evidence of misconduct. The grievant protested the dismissal and a Review Committee of the Disciplinary Board affirmed the dismissal on September 23, 2008.

July–December 1997 Enforcement Actions

Gary Locke: A complaint was filed against the 1996 Gary Locke Campaign alleging violations of RCW 42.17.060(1) for failing to timely deposit monetary contributions, RCW 42.17.060(5) for accepting currency contributions in excess of $50 without obtaining a receipt, and RCW 42.17.080 and .090 for failing to timely report names and addresses of contributors. The parties entered into a stipulated agreement. The Commission accepted the stipulated agreement, and assessed a penalty of $2,500.

Comments from the Locke Campaign—these contributions were not properly reported by campaign. Upon discovery of this error, the campaign worked closely with the Public Disclosure Commission to correct the situation.

January–June 1998 Enforcement Actions

Gary Locke for Governor Committee: An investigation was conducted into allegations that the Gary Locke for Governor Committee violated RCW 42.17.120 and .640 by reporting that it had received contributions from members of a Buddhist Temple and that the members did have the financial resources to contribute the funds. The allegations charged that the funds were from a single contributor. The investigation determined that the funds were contributed by the individual members as reported by the Committee. The Commission dismissed the complaint.

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 my capacity as elected King County Executive, I was named as a defendant by the plaintiff, Sonia Soelter, a politically exempt employee, in her case against the County, claiming I terminated her upon my taking office because of her sex and disability (pregnancy) and political affiliation (Republican). The trial court dismissed the lawsuit in a published opinion and was affirmed by the 9th Circuit Court of Appeals.

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: See answer to question C3 above.

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.

ATTACHMENT 1

GARY LOCKE

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Seattle, WA 98101-3045
Direct: (206) 757-8089
email: garylocke@dwt.com

www.dwt.com

Davis Wright Tremaine LLP

Gary Locke

Experience

Gary Locke, a partner in the Seattle office of the international law firm of Davis Wright Tremaine LLP, co-chairs the firm's China practice and is active in its governmental relations practice. At DWT, Locke helps U.S. companies doing business in China, and Chinese companies doing business in the U.S., on a wide range of business, political and legal issues.

Locke's incisive understanding of complex Chinese American political and economic relationships has earned him the trust and respect of an inner circle of Chinese business and government leaders who value his insight. He organized and coordinated Chinese President Hu's successful 2006 visit to Washington State.

Prior Experience

- Washington State Governor, 1997-2005

Locke was elected Washington's 21st governor on November 5, 1996, making him the first Chinese American governor in U.S. history and the first Asian American governor on the mainland. In 2000, Locke was overwhelmingly re-elected to a second term.

As governor, Locke made Washington a better place to live, work and raise a family by dramatically raising academic achievement in the public schools; strengthening the state's economy, improving transportation, expanding health care to vulnerable children and adults, and making state government more accessible and user-friendly. He designed and implemented a nationally acclaimed welfare reform program. Locke created the Washington Reading Corps wherein over 50,000 volunteers have tutored over 150,000 struggling readers to become grade level proficient.

He also conceived and launched the West Coast Governors' Initiative on Climate Change and successfully launched public and private initiatives to reduce dependence on fossil fuels and increase energy conservation. During the 2001 energy crisis, Locke significantly increased emergency power generation with no net increase in CO_2 and particulate emissions. At the urging of President Clinton, Locke personally negotiated and signed a Washington State—Canada salmon treaty after negotiations between the U.S. State Department and Canada reached an impasse on protecting wild salmon runs.

To open doors for Washington State businesses, Locke led eight trade missions to Asia, Mexico and Europe. Locke successfully fostered economic relations between China and Washington State. His visits are credited with introducing Washington companies to China and helping more than double the state's exports to China to over $5 billion per year.

Locke's organizational and managerial accomplishments have been consistently recognized as one of America's five best managed states by Governing Magazine, as a finalist in the Harvard Innovations in Government program, and as the most Digital Government in America.

- King County Executive, 1994-1997

As chief executive, Locke expanded transit services, adopted a nationally acclaimed growth management plan and successfully merged a regional transit and sewage treatment agency into county government.

- Washington State House of Representatives, 1983-1994

Locke served on the House Judiciary and Appropriations Committees and chaired the House Appropriations Committee.

- Deputy Criminal Prosecutor, King County, Washington, 1976-1980

Locke prosecuted major felonies, including a death penalty case.

Memberships and Activities

- Delivered the Democratic Response to President Bush's 2003 State of the Union Address
- Chair, Democratic Governor's Association, 2003
- Board Member, Fred Hutchinson Cancer Research Center, 2005 – present
- Board Member, Key Technology Inc., 2008 – present
- Board Member, Safeco, Inc., 2005 – 2008
- Board Member, Seattle Art Museum, 2006 – present
- Member, Committee 100, 2005 – present
- Co-Founder of America's Opportunity Fund (AOF) PAC, November 2006
  AOF spent over $67,000 successfully helping elect presidential candidate Barack Obama by targeting the Asian American Pacific Islander (AAPI) community with: direct mail pieces to over 61,000 households in key battleground states; GOTV phone banks; two full page endorsement ads featuring prominent Chinese Americans in the nationwide Chinese language newspaper, World Journal; and GOTV efforts in Nevada in partnership with non-profit organizations. In addition, Locke traveled to Maryland/Virginia to help fundraise within the AAPI community and spent several days throughout Ohio urging AAPI voters to elect Obama/Biden.

Education

- J.D., Boston University, 1975
- B.A., Yale, 1972
- Honorary Ph.D., Beijing University, 2006

Personal

Born into a Chinese immigrant family, Locke spent his first six years in Seattle's Yesler Terrace, a public housing project for families of World War II veterans. Through a combination of part-time jobs, financial aid and scholarships, he attended Yale University. Locke is married to Mona Locke, executive director of Puget Sound Susan G. Komen for the Cure and a former local television news anchor/reporter. The Lockes have three children.

The CHAIRMAN. Thank you, Governor.

That last statement was so important because Secretaries often say that and then fail to follow up on it. That is keeping in touch. That is not just them, but their chief lieutenants. It is extraordinarily important to us, to our staffs, to be in close touch.

I don't believe we should write our own bills all on our own. I think we should cooperate with you, get your input. But that really does put an emphasis on cooperation back and forth.

I am going to give you two questions at once. The census is just overwhelming. You mentioned at the beginning 1.3 million. It is the largest undertaking that our Government undertakes every 10

years, and the Congress has declared the census an emergency. We have given it $11 billion. The GAO has placed the decennial at the top of their list of high-risk Government enterprises.

Despite these challenges, the OMB and the Department have seriously underfunded paid advertising, which is necessary to get people alert. And this all has to take place on April 1, 2010. So, I mean, the clock has been running as we have all been waiting, and it is a real challenge.

So there are some who actually think that it won't happen. It won't finish on time, which will feed into my next question, the DTV. But I am interested in the level of your confidence and what your program is to make sure that the census is taken. There is a lot of conflict about the census, and it is a very harmful conflict to the fabric of our Nation. And so, it must be done properly, and it rests on your watch.

The second is DTV. As the Ranking Member pointed out, it ends on June 12, and she was kind enough to agree to extend it to June 12. That is not much time. And the range of people who are not covered by DTV, not all of them choose to be covered by DTV, is enormous. Go from 10 million to 16 million houses. And so, it is a crisis.

So how do you use resources provided in the stimulus package to make certain that no consumers are left behind? I am obviously, coming from West Virginia, very, very sensitive to those who are caught in the hollows and the creek beds of a state which is only 4 percent flat and 96 percent mountainous. It makes it very difficult, and my interest, obviously, is very keen.

Can you assure people that they will receive the coupons they need in a timely manner? That is a hard question, I would think, to answer. Can you pledge to be more forthcoming with information to both Congress and to the American people, to bring the American people, frankly, into this debate? I think that is one of our biggest problems right now is we understand it here. They don't understand it at all out there.

And what is the NTIA doing to ensure that enough boxes will be available and that there are no regional shortages, particularly in smaller communities? So I would ask you those two questions.

Mr. LOCKE. Thank you very much, Mr. Chairman.

First of all, with respect to the census, it is an issue that goes back to the founding of our country. And in fact, the first Presidential veto in America was over the census and a big source of debate between Hamilton and Jefferson, and even President Washington was disappointed in the count and thought that it was an underreporting.

With respect to the census, I know there are many members of the Committee that have raised that. Let me first assure you right off the bat that the President has assured me that the Director of the Census will report to me. And of course, I ultimately report to the President.

But that there will always be consultation and information shared with the White House and with the Members of Congress because everyone has an interest in a full and accurate and proper conducting of the 2010 Census. And I pledge to do that.

The CHAIRMAN. But that doesn't answer my question.

Mr. LOCKE. No. Let me address the issue of are we capable of doing it? We are going to have—we are starting behind, and the GAO report has documented some failures of acquisition in technology, a whole host of management challenges that we face, and we are going to have to devote extraordinary efforts to this. And I intend to be personally involved in overseeing this and getting the right people in place and making sure that we catch up and that we work on this with absolute vigor.

We are going to have to employ very creative methods of public outreach, getting the message out to people how important this is and the impact this has to their communities in terms of Federal assistance. We are going to have to be very creative in the use of technology to get the word out, to expedite it, and to be efficient as possible because time is running out. As you said, the count must be made on April 1, 2010.

With respect to the management challenges that we face, and it gets to the issue of how are we able to deliver, and can we deliver? And I want to thank you and the Ranking Member for your leadership in extending the deadline on digital television. We will not be seeking additional funds, nor will we be seeking an extension beyond the June 12 deadline.

But let me just say that in just the last several weeks, thanks to the leadership and the funding provided by the Congress, we had a backlog of some 4 million coupons representing some over 2 million households. We are on track to have that backlog completely eliminated by next week, and we are using first-class postage to get those coupons out. We have a concerted effort, working with the FCC, to get the word out.

And quite frankly, I have to tell you that I think the public service announcements and the education to the American people has not been all that clear so far. I can tell you that up until just about a month or so ago, I was not even aware of the full implications of this conversion. Most people who are affected don't understand what digital or analog television is. And it wasn't until my brother-in-law told me, because he relies on rabbit ears, what this all meant to him.

I think that the public service announcements and the education messages have to be crystal clear that if you rely on that antenna on the roof of your house or rabbit ears, you are affected. We have to be very, very clear so that the people who are impacted understand this, using plain English in our broadcasting.

We are also trying to work with the people to make sure that any lapsed coupons that they have, that they know that they can be reissued these coupons. And again, we believe that we can process all of these applications after next week after the backlog has been completely eliminated. We can have a turnaround time of less than 10 days with respect to sending out the coupons to any and all people who want it.

But we have got to do a better job of still informing the American public as to the consequences and the implications of this conversion and of the availability of services.

The CHAIRMAN. So you really are confident that we can get this done?

Mr. LOCKE. I am confident with the resources that have been provided—thanks to the leadership of you and the Ranking Member—and the funds provided, we will get the job done.

The CHAIRMAN. And do you have in mind a management team?

Mr. LOCKE. We do have a management team already working on this, and I have been meeting with them already informally. They have been giving me progress reports on what has been happening. And I believe that with the new funding and with the new emphasis on clearing out the backlog, working with the FCC to reach people who still may not have heard about it, that we will, first of all, take care of the backlog and reach out to people who still have not applied for coupons.

The CHAIRMAN. Thank you very much, Governor.

Senator Hutchison?

Senator HUTCHISON. Thank you very much.

Governor Locke, I want to have a clear statement on the record regarding the census, and you have stated that it will be in the Department of Commerce and that you will share information with both Congress and the White House.

Let me ask you, when we talked, you said that you believed that it must be absolutely accurate and that you believe in counting actual individuals at the correct locations and did not think that we should use statistical sampling. Is that your position, and would you elaborate, if you would like to, on your own position?

Mr. LOCKE. Thank you, Senator.

The Supreme Court has made it very clear that statistical sampling is not permissible for apportionment purposes. That is the law. We will enforce the law. That is the position, plain and simple.

Statistical sampling is used with respect to determining accuracy, to determine whether or not we need to do a better outreach with specific communities or parts of the country. And in fact, we also have a long form and a short form that gets into some of the demographic detailing and profiling of the American population, American families. That is a method of sampling just to find out income levels and et cetera, et cetera.

But again, for the purposes of the census as we all understand it, the apportionment, statistical sampling will not be used by the Department of Census.

Senator HUTCHISON. Thank you. I think that is clear, and I think it is the expectation of all of us that the actual count is what we would be interested in assuring, and I think we are together on that. And I thank you for the clear position that you took, both with me privately and here.

Second, on the issue of DTV, I think that all of us have talked about it, and you have said that you will make it happen. However, I want to say that I am concerned that we haven't had a nominee put forward yet to lead the NTIA, your Assistant Secretary position.

And I wanted to ask you if you are going to address that, if you can tell us today that you have a nominee in mind? Where do we stand on having the actual person in charge of the DTV transition to come before us?

Mr. LOCKE. I can tell you that we do have a nominee in mind. That person is being reviewed by the White House.

But I want to say that we also have a Deputy Assistant Secretary at NTIA who is helping lead this, and we also have already put in place or the Department has put in place mechanisms for oversight with respect to a lot of these projects, not just digital television conversion, but a lot of the Federal stimulus dollars for broadband.

And they have an intragency team overseeing this, working with the Inspector General's office that cuts across the department and is on top of these very large funding projects where the Congress and the American people and the Administration have expectations of getting these dollars out quickly, but with results. And so, we can talk more about that.

But with respect to digital television, we do have a Deputy Assistant Secretary at NTIA that I have great confidence in who is very familiar with these projects, who brings an incredible level of energy and management oversight. And so, while we don't have an Assistant Secretary for NTIA that has been officially announced or nominated yet, the Department is moving forward.

We also have incredible professionals in the Department. Secretaries come and go, and a lot of these political appointees come and go, but there is a great deal of pride and expertise within the Agency, and we are harnessing them, or at least the Deputy Assistant Secretary for NTIA is harnessing them and already working with stakeholders to get this job done.

Senator HUTCHISON. Governor Locke, I have introduced twice in two different Congresses bills to increase the research and the data that we have on the violence of the weather as in more significant hurricanes and also, as I mentioned earlier, the surge issue that really has come, I think, in very recent times to cause the most destruction, which would be Katrina and Ike.

In addition to that, I think we used to gather the information regarding the change in weather patterns where there had been cloud seeding and other weather modification efforts. But that was actually stopped years ago, back in the 1980s.

My question to you is, where do you think we can most effectively begin to gather this data and begin research? My hope and my original thought is that it would be in NOAA. And if you have any thoughts about the best place to do it, and would you work with me to develop this legislation going forward so that we can achieve this?

We did not have the support in the past from the Administration for the Department of Commerce. And I think that is where it would logically stand. So my question to you is what do you think? And would you work with me to achieve the right result?

Mr. LOCKE. Well, thank you, Senator. We chatted about this when I first met with you several weeks ago.

I do believe that NOAA is the appropriate place for this research and data collection. It is a natural extension of the work that they do now with respect to weather, as well as the oceans. Several people have mentioned the impact of the surge of seawater after hurricanes, and given the fact that NOAA does that research, it is a natural extension of their capability, their expertise.

And we must, in fact, gather more data and engage in more research with respect to all of our weather patterns, to understand

whether or not modification of weather in one region affects what the weather would have been in another part of the United States and making sure that whatever modification efforts there are at weather do not hamper and have dire consequences for the weather of another part of the region because communities depend on that, whether it is water for irrigation, water for fish or recreation, and for drinking water for people.

And so, I very much support that type of research and data collection, would look forward to working with you on the legislation that you might develop.

Senator HUTCHISON. Thank you. Thank you, Governor.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Hutchison.

Senator Cantwell?

Senator CANTWELL. Thank you, Mr. Chairman.

Governor Locke, over the years, I have asked several nominees to the Secretary of Commerce how they plan to stop the flow of counterfeited goods entering into the U.S. or counterfeiting of U.S. products like software, videogames, or CDs that remain a huge problem for us in protecting our intellectual property. What do you think that the Department of Commerce should be doing in this effort?

Mr. LOCKE. Well, first of all, thank you, Senator Cantwell, for that question. I have long been, in the public sector as well in the private sector, focusing on those issues of intellectual property protection, especially as it affects American companies abroad.

When you go to other countries and as one of the other Senators noted, you suddenly see a DVD of an American movie that was just released the other day. That is taking away money from American companies and taking away money that otherwise could go into wages for the employees and supporting the American economy.

So I think we have to work aggressively with the intellectual property enforcement programs within other countries and that we need to work with other Federal officials here and other agencies in America to stop the flow of counterfeit goods, whether auto parts to consumer goods to software, coming into this country because it is taking away from American workers.

And that has got to be the number-one priority of the Department of Commerce, enhancing American companies and the employees that they support.

Senator CANTWELL. I would like to follow up on that because the U.S. Foreign and Commercial Services, within the Department of Commerce, also handles trade promotion, and as we have seen the opportunity for products and services to get access to other markets, one of the challenges has been resolving disputes.

And if you look at the opportunity of our products to foreign markets, foreign markets have grown huge opportunities, but the number of specialists helping us resolve disputes, whether they are phytosanitary or what have you, have just continued to grow. So would you look to increase the number of U.S. Foreign and Commercial Service trade specialists overseas as a way to help U.S. companies?

Mr. LOCKE. I believe that our Foreign Commercial Service operations are sometimes under appreciated and unknown. They are an

incredible resource to American companies wanting to do business abroad, wanting to sell their products abroad, wanting to learn more about the opportunities abroad. And they can also be great helpers in finding potential partners and clients and customers in other countries and simply to understand the economic, political, financial, and legal system of other countries.

I think it is a resource that in some ways has been uneven around the world. We need to really focus on improving the quality of those services in every country where they have a presence, and in some areas, we may need to beef up the number of Foreign Commercial Service officers.

Senator CANTWELL. I think you know of my advocacy on clean energy technology, particularly as it relates to getting access to overseas markets. Would you be willing to, in your capacity, work with USTR to eliminate clean energy tariffs on U.S. products and services for markets bound abroad?

Mr. LOCKE. Clean energy and protection of the environment is a top priority of President Obama, and it is also an incredible opportunity for the United States to show leadership in the world. And quite frankly, we need the cooperation of other countries on climate change, environmental protection, and environmental cleanup.

And we in the United States have so many companies that excel in this area—from alternative energy, energy efficiency, to green energy—that can create more jobs for people here in America while exporting that technology to other countries to create a better standard of living for the people of those countries, and ultimately for the entire globe.

Climate change, environmental protection knows no borders. And what we do here at home in America cannot truly be successful unless we get the entire world to engage in this. There are incredible opportunities for U.S. technology, and U.S. jobs here at home. That has to be part of our trade agenda. That has to be part of our trade agreements as well.

And I very much applaud you for what you have been doing to try to showcase American environmental technology and to address the issues of climate change around the world, especially in Asia.

Senator CANTWELL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Cantwell.

And now, Senator Snowe—who is gone.

[Laughter.]

The CHAIRMAN. Senator Klobuchar?

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

Thank you, Governor.

I know that you talked briefly with Senator Hutchison about the DTV transition, and there, as you know, a lot of this where we are today was due to a lack of organization in how the converter box program was handled. How will you be more responsive to the public as Secretary?

Mr. LOCKE. Well, thank you, Senator.

And if I am confirmed, I intend to work very closely with the NTIA division of the Department of Commerce. We already—the Department, excuse me, is on top of this. The Assistant Secretary at NTIA or the Deputy Assistant Secretary for NTIA has already

informed me that by next week, they hope to have the entire backlog for coupons completely eliminated.

That department inherited a backlog of over 4 million, 4.2 million coupons, representing over 2 million households. And thanks to the appropriation provided by the Congress, and especially the extension by this Committee, they intend to have that backlog completely eliminated by next week. And the turnaround time for future requests for coupons will be less than 10 days using first-class mail.

There is also a very concerted effort with the FCC for outreach to populations that still and people who still may not be aware of this conversion. And as I indicated earlier, we have to have a better publicity, public service campaign to announce and educate the American people exactly what this conversion is.

Too many people still do not know that if they have rabbit ears or the antenna attached to the chimney of their house that they are going to be affected come June 12.

Senator KLOBUCHAR. So you mean Senator Hatch and my public service announcement didn't get through to everyone? It was really a good piece.

OK, I wanted to switch to—but thank you for that. That is very good news about the backlog.

Tourism. As you know, Senator Dorgan has a bill that has a lot of support in the Congress, and I am now chairing the Subcommittee that includes tourism. And as you probably know, foreign visitors, international visitors spent more than $122 billion on U.S. travel and tourism in 2007, and that was actually a 13 percent increase over 2006.

Now with the economic times we are in, we know that won't be the same this time. Travel and tourism exports account for 7 percent of all U.S. exports. So it is a very important piece of our economy.

And what I would like to know because we get a lot of people talk about it, but are you willing to look at the Commerce Department to see how you can best leverage the existing resources of the Department to protect and grow the global market for our country? So we can get more people in and also promote tourism in the United States and any ideas that you have along this way.

Mr. LOCKE. Thank you, Senator.

We do have some people within the International Trade Administration that work on tourism. Tourism does generate millions of jobs within our country, and when you think about the jobs that are indirectly connected to tourism, whether those hotel workers and people in the hospitality industry are involved in tourism, they shop in malls, eat in restaurants, and support many other companies. So the extent and the impact of tourism is very large and very broad.

There is a great deal of interest, fascination with America among people all around the world. They think of the great cities of America, but they also think of the great majestic natural beauty of America, from the Grand Canyon to the Badlands to our incredible, beautiful national parks. And they think of America as a place of great pristine environment, a place to visit, a place for recreation.

So we need to promote that. How we do that, working in concert with other States that have promotion and tourism programs or major corporations that run major theme parks and attractions, that all has to be carefully sorted out because we have limited dollars, and how we leverage these Federal dollars on tourism promotion has to be carefully thought out.

But I would like to work with you on greater emphasis on tourism because that is money that comes into the local communities, businesses, and those visitors leave, and we don't have to worry about some of the impact of education, schooling, and et cetera, et cetera.

Senator KLOBUCHAR. Right. Last quick question just on the broadband issue. You know, we have had some very successful public-private partnerships in expanding broadband in our State, and as you look at the standards you are going to use and the criteria for getting this money out to expand broadband, I wondered in your experience as Governor of Washington, what experience you had with these public-private partnerships, what do you think the best way is to expand service and make sure it is not so slow?

Mr. LOCKE. The Congress has appropriated over $4.5 billion for broadband, and it is to be done expeditiously. The President has placed a great priority on this and has great personal interest with respect to bringing advanced modern telecommunications to the entire Nation. It is also a priority of this Department of Commerce.

And if confirmed, I hope to bring some of the same management practices that I brought and used in the State of Washington where, on major projects, we have clear deliverables, where we have clear, coherent guidelines for the deployment of these dollars, and that we have monitoring systems in place from day one, and that we also have a final progress report so that we know what we got for the dollars that were spent.

It is important that in the short time-frame that we have for the deployment of these dollars that we involve all the stakeholders, and the people of the Department of Commerce have already instituted a very transparent, very open process of soliciting input from everyone. No secret meetings. Public meetings. Input and suggestions over the Internet, and all the comments are available so that everyone can see what is being received by the Department of Commerce.

From all of these ideas, we are going to have to distill down to some common themes so that, at the end of the day, we are having true leveraging of these dollars, working in concert with the programs and activities of different States, different regions, as well as the private sector. We need to make sure that, at the end of the day, we have something that is a unifying theme that advances modern advanced telecommunications for people all around the country.

Senator KLOBUCHAR. Thank you very much.

The CHAIRMAN. Thank you, Senator Klobuchar.

Senator Dorgan?

STATEMENT OF HON. BYRON L. DORGAN,
U.S. SENATOR FROM NORTH DAKOTA

Senator DORGAN. Senator Rockefeller, thank you.

Governor Locke, I am going to be supporting your nomination. I think you are a great choice, and I appreciate your being here.

First of all, on the issue of destination tourism and getting our share of the international tourism in this country, that is very job creating. As you know, I have put together a piece of legislation on this Committee, will be reintroducing it, and hope for your support. It is bipartisan, a very significant effort to increase international tourism in our country.

I want to ask you about trade specifically, if I might? Last year's trade deficit was $800 billion, and the new Administration put out a piece here that says the President's trade policy agenda, an interesting piece. There is not the word "deficit" in the entire piece, not one word about the deficit.

The question is, in your judgment, is an $800 billion a year merchandise trade deficit a threat to our economy?

Mr. LOCKE. Thank you, Senator.

I am still looking for the book and hope to get a hold——

Senator DORGAN. That is right. I promised to send you a book, didn't I?

[Laughter.]

Senator DORGAN. I will do that.

Mr. LOCKE. We will be able to—we will take care of that.

Senator DORGAN. You can answer without having read my book. I am just——

[Laughter.]

Senator DORGAN. I am only asking if you think that an $800 billion a year merchandise trade deficit is sustainable, or do you think that it ultimately undermines our economy?

Mr. LOCKE. We cannot continue to have such large trade deficits with any one particular country, and it is of concern. That is why the Department of Commerce must be an aggressive and active champion in helping reduce that trade deficit by helping sell more products and services around the world and opening up markets for American companies.

Senator DORGAN. Let me ask you about that then because we have just negotiated, our Government has negotiated a trade agreement with South Korea. Let me take one piece of it, for example, bilateral automobile trade.

South Korea ships us around 800,000 vehicles a year to be sold in our marketplace. We are able to ship them about 6,000. Eight hundred thousand coming this way on boats. We get to sell them 6,000. Just over 98 percent of the vehicles on the roads in South Korea are made in South Korea because that is the way the country wants it.

We have a trade deficit with South Korea. We have negotiated a new trade agreement and ignored the issue of bilateral automobile trade. Do you believe that we ought to deal with the issue of the bilateral automobile trade that seems so out of balance?

Mr. LOCKE. Senator, I am not familiar with the specifics of that particular trade agreement, and I don't know what other markets may have been opened up for American products and services that may have offset that particular issue dealing with automobiles.

Senator DORGAN. Would you take a look at that?

Mr. LOCKE. But I would be more than happy to take a look.

Senator DORGAN. Let me tell you, we did a bilateral trade agreement with China. That is a country with whom we have a $260 billion merchandise trade deficit at the moment. China is beginning to develop an automobile export industry. They are very aggressive, and we will begin seeing the automobile exports in a very significant quantity.

Our agreement with China, a country with whom we have a very large trade deficit, provided the following with respect to automobiles. That after a phase-in, they could impose a 25 percent tariff on any American automobiles sold in China, and we would impose a 2.5 percent tariff on Chinese automobiles sold in the U.S.

A country with whom we have a $200 billion deficit, we said to them it will be OK if you impose a tariff 10 times our tariff on bilateral automobile trade. Does that seem fair, Governor?

Mr. LOCKE. Again, without knowing the specifics——

Senator DORGAN. I am actually helping with the specifics here.

Mr. LOCKE. I understand that. But I think we also have to look at the entire trade agreement and what perhaps concessions or openings were made for other American products where perhaps there is no countervailing or offsetting tariff.

Senator DORGAN. I understand. But that——

Mr. LOCKE. We have to look at the entire package. But on its face, I mean, obviously, we need to make sure that we are not giving unfair advantage to the products and services of another country while hampering our products and services going into that country.

Senator DORGAN. You are absolutely correct. You have to look at the entire package, and the verdict is in with respect to China. Since we have done the bilateral, the deficit with China has gone up, up, up, and way up.

So whatever we might have achieved somewhere else was obviously not significant enough to outweigh what we gave away. And let me be clear. I believe in trade and plenty of it. I think our country can compete anywhere in the world, but I think our trade agreements are almost bankrupt. Unbelievable.

You were asked about the Mexican truck issue today by a colleague of mine. Let me just tell you what happened at the table where you are now sitting. We had a hearing on that subject, and what we were told, for example, is that the Inspector General of the DOT says that we don't have equivalent standards, no centralized repository of driver's records, no central repository of accident reports in Mexico, and no central repository of truck inspections.

And by the way, with respect to the cross-border trucking project, we were told that one of the requirements was to be fluent in English, and the Inspector General's office told us the way they determine fluency in English was to have a driver from Mexico look at a stop sign, for example, and then you would inquire, "What is this?" And the driver would answer "alto," Spanish for stop, and the driver would then be declared fluent in English.

The point is we are not anywhere near the point of having equivalent standards, and no trade agreement, I believe, should diminish safety standards on America's roads. And we now hear that Mexico has decided to impose tariffs on sunglasses, toilet paper,

and grapes, among other things. I hope you will not allow that to stand.

I mean, we want to trade with our neighbors to the north and the south and around the world. We want trade to be fair. But Warren Buffett himself has indicated you can't consume 3 percent more than you produce and run trade deficits in the $800 billion range and believe that can be sustainable for your economy.

No one is describing these trade deficits as helping undermine this economy and help cause this crisis. It has, but no one wants to talk about it because the minute you talk about it, they suggest somehow you are anti-trade.

As I said, I am for trade and plenty of it. But I support you, and I know you vigorously support trade. I hope you understand that these numbers, $800 billion worldwide merchandise trade deficit, $266 billion with China, $73 billion with Japan. And by the way, that Japanese one has been there for 12 to 15 years.

So we have to decide as a country that we are going to stand up for our economic interests by expanding trade in a manner that is fair, that requires fair trade rules for our producers as well.

So, again, I thank you for listening to me and answering my questions. You have a great opportunity to play a significant role here because of your credentials as a free trader. And I want you to succeed, and for that reason, I am very pleased to vote for you.

And when your nomination comes to the floor, I will have a chance to visit about this a bit more. But in the meantime, I send you my best wishes and am pleased that the President has chosen you, and I hope you will have a chance to read the book I send you and we will have a chance to spend some significant time to talk about this.

Mr. LOCKE. Well, thank you, Senator Dorgan. Let me just make one point very clear. I believe in fair trade, and I believe that if we don't have environmental, health and human safety standards, and other things incorporated—and labor standards incorporated into some of these trade agreements, we are putting American workers at a competitive disadvantage.

And whatever agreements we have, we need to enforce them. I think too often in the past when we have alerted other countries to our concerns over violations of trade agreements, which have been hard-fought, involving tough negotiations, if some of the elements of those other—of the trade agreements are not enforced, then we have basically given away more than we have gotten back.

And as a former prosecutor, I believe in vigorous enforcement of the law, and I will do everything within my power within the Department of Commerce, if confirmed, to enforce those agreements.

And let me just give you an example. When I was Governor of the State of Washington, we pressed the Administration to enforce the trade laws and impose anti-dumping penalties for China for apple juice concentrate coming into the United States. We believed that they were illegally dumping apple juice concentrate. We pressed Mexico and the Administration with respect to some trade policies and differences with Mexico.

But, for instance, our farmers, apple growers, have to abide by health and human safety standards, pesticides, and herbicide regulations. And the apples coming in from other countries, whether

Latin America or South Pacific, don't necessarily have to follow those same standards. And so, the prices are cheaper. That puts American farmers and American workers at a competitive disadvantage.

So I believe it is appropriate to have those protections in our agreements.

Senator DORGAN. Well, I appreciate that answer. My time has expired.

Just one final quick comment, and that is much of what we produce in this country now is intellectual property. And it is very important to be protected. There is substantial piracy and counterfeiting around the world, and you are going to be in a position to, I think, take new aggressive actions to deal with that.

But we must deal with that to protect the property, the intellectual property that we create in this country. And the piracy and counterfeiting is unbelievable. So you will do American business and the inventors and creators in this country a great service if you will make that a significant priority as well.

Mr. LOCKE. I agree with you 100 percent.

Senator DORGAN. Thank you.

The CHAIRMAN. Thank you, Senator Dorgan.

Governor, we are having a hearing here tomorrow, a full Committee hearing on cybersecurity. And this comes within our purview on this Committee, and it—I mean, not trying to be dramatic about it. When the Internet was invented, everybody fell flat on their face, they were so thrilled, and the world began to do business in a different way.

Now both the President Bush's Director of National Intelligence, Mike McConnell, who I greatly respect, and President Obama's Director of National Intelligence, Admiral Blair, who I greatly respect, have labeled cybersecurity perpetrated through the Internet as the number-one national hazard of attack on the homeland in West Virginia and anywhere else in America.

So I mean it really almost makes you ask the question, would it have been better if we never had invented the Internet and had to use paper and pencil or whatever? And that is a stupid thing to say, but it has genuine consequence because it is on the Internet that these acts of shutting down—you know, they have the television ads every day saying that the Department of Defense is attacked 3 million times a day, and it is true.

Everybody is attacked. Anybody can do it. People say, well, it is China and Russia. But there could be some kid in Latvia doing the same thing. I mean it is an individual act. It doesn't require a sleeper cell. It doesn't require any ammonia or explosives. It is just an act.

And yet it is an act which can shut this country down, shut down its electricity system, and its banking system. Shut down really anything that we have to offer. It is an awesome problem.

On the Intelligence Committee, we were taken for a full day to discuss—to an undisclosed place in Virginia to discuss this. It is a fearsome, awesome problem, and it is under your watch, so to speak. I mean, obviously, it is broader than that, too.

I wonder where this stands with you, what your thoughts are, and what you think we ought to be doing about it?

Mr. LOCKE. Senator, cybersecurity is obviously of utmost importance from a national security standpoint to protection of our way of life. As you indicated, a cyber attack could cripple the banking system, communications systems, electricity, and systems on which any and all businesses operate. It could bring our country to a grinding halt.

I know that the great professionals, the scientists at the National Institute of Standards and Technology have been leaders in this and have been working with other agencies, and it is an incredible set of laboratories that we have with several Nobel Laureates who are proud to call themselves employees of NIST.

It is something that every Federal agency is going to have to work on and together, in concert with the members of this Committee and the Members of Congress and, of course, the President's security officials as well.

I would like to work more with you and learn more about your thoughts, but clearly, it is going to require a lot of interagency cooperation and greater attention.

The CHAIRMAN. You are going to have to work very closely with the intelligence community because it is a question of trying to keep up. We will never get ahead of those who perpetrate violence, this kind of violence against us. All we can try to do is to get ahead for a little bit, then we will fall behind.

It is a losing game for us, and it is potentially a catastrophic national event. And I just think it has got to be at the top of your list, and Americans don't know about it. Probably don't believe it is going to happen because that is not the kind of thing that is likely to happen in a place called the United States of America.

But it already has, and it threatens the Nation unlike anything else. More so than suitcase bombs, more so than dirty bombs, more so than plutonium bombs, this is what threatens us. And I wish to lay that down as a major, major subject.

We will be having a hearing tomorrow. We will be having many, many others. It is that serious.

Senator Cantwell?

Senator CANTWELL. Thank you, Mr. Chairman.

Governor Locke, I chaired the Oceans Subcommittee of the Commerce Committee, and one of the things that we have had reports on for the last couple of years are ways to improve the management and oversight of our oceans. But the Puget Sound Partnership in Washington State has been an innovative and collaborative science-based effort to manage Puget Sound and an eco-based management system approach.

And as you know, Puget Sound is the second-largest estuary in the United States. So it is a pretty comprehensive effort. Part of the problem is we are seeing dead zones already from ocean acidification, with major problems to the fishing industry, particularly the shellfish industry.

And so, my question is, isn't that ecosystem science-based approach the kind of management approach to ocean governance that we should be seeing throughout the country?

Mr. LOCKE. Thank you, Senator Cantwell.

President Obama very much supports the use of science and not shackling the scientists and making sure that we have good science guiding all of our decisions.

And the Puget Sound Partnership is one that I believe the Department of Commerce will want to use as a model in working with all the estuaries throughout the United States, but also as a way of addressing the issue of depleted stocks, whether it is salmon, whether it is red snapper, and other species.

Those types of collaborations, those types of partnerships, those types of reliance on science and using science as a guide for subsequent actions, all of that is the approach that we need to have throughout the Federal Government and especially at the Department of Commerce.

Senator CANTWELL. Would you say that—I know that you have been quoted before as saying that we need to look at long-term goals like stock recovery rather than just the immediate needs. And obviously, fisheries management is difficult.

I am assuming that you support an open and transparent process on fisheries management. But wouldn't you agree that in the long run, we have a long way to go with NOAA and some of these policies in creating a more open and transparent process and focusing on recovery?

Mr. LOCKE. I do believe that we have a ways to go, and I know that the NOAA scientists are very committed. They are great professionals. We need to work perhaps more closely with stakeholder groups, and we need to use some of the resources of other agencies within the Department of Commerce in mitigating the economic impact of some of these policies where we are trying to reduce the fishing, trying to achieve the goals or the mandate of the Magnuson-Stevens Act to end overfishing by 2011.

There is going to be a lot of dislocation, economic implications and consequences to the affected fishing industry, and that is where we need to provide technical assistance, economic assistance. But we need to use science as the guide, and we need to have open, transparent policies working with the stakeholder groups so they understand the objectives.

If we allow overfishing to continue, there will be no fishing left for them or for future generations, and it will completely end the fishing industry in so many communities. We don't want that to happen. But we need to take tough measures quickly and soon, but we also need to provide economic assistance to those that are impacted.

Senator CANTWELL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Cantwell.

I just want to probe a little bit more on cybersecurity because when you say—the current and the past director of national intelligence say it is the number-one national security threat, that is a showstopper. And people don't believe it. Business doesn't believe it. The big ones do, and they are trying to do something about it.

You mentioned NIST. Several thoughts come to mind. They set the standards for all this. I remember when I had been on this Committee for about 2 years—and I have been on it 24 years—and I went out to NIST, and they said they hadn't seen a Senator there in 5 years. And it raises a couple of questions from me.

Number one, your scope is so broad. I mean, recently—West Virginia is not exactly famed for its ocean capacity. But on the other hand, the port of Huntington is the seventh largest port, operating port in the United States of America, including Baltimore, Los Angeles, and all the rest of them, because of the Ohio River.

And the Coast Guard has become a matter of enormous interest to me in protecting the power plants and chemical plants, et cetera, that run up and down the Ohio River, which always back up, obviously, to the river because they need the water. But there aren't enough Coast Guard boats, speedboats with gun capacity out there to make any real significant difference.

So one of the problems I think in the Commerce Department is that there are so many agencies that do such crucial work but don't get attention, and two things occur to me. Number one, obviously, NIST's relationship to cybersecurity, how does one fully describe it? And second, keeping good people.

I am not sure—I mean, I think there is an enormous surge of public commitment, national service. We are going to pass a national service bill. The President wants one. I think most of us do. I was a VISTA volunteer. That is the way I got to West Virginia.

But the desire for national service is enormous, but it tends to be in the under-50 group or the under-40 group, and the professionals who work in key positions at the places like NIST, which has been flat-line budgeted for a number of years, keeping them, keeping the people who can help us formulate a policy on cybersecurity is incredibly important.

And one of the things I worry about across Government is keeping our very best people, that they will come to feel that there is too much—I mean, after some sort of false starts, the bar now for being allowed to serve in Government in a high position is so high that I think it is actively discouraging people from wanting to participate. People are looking for reasons not to serve in Government even though their instinct is to serve in Government because they have a new sense of commitment to the Nation and their obligation to the Nation.

So these things clash. So I am just asking you two things. One is what does—what role do you see NIST playing with cybersecurity? And second, how are you going to go across the Department and pick out the people that you want to stay and encourage them to stay? I mean, a lot of them are leaving.

Mr. LOCKE. Thank you, Senator.

And I truly take to heart your emphasis on the need to pay closer attention to cybersecurity. I read you loud and clear, and you have made an impression on me with respect to that topic, and I will learn much more about that. I would be more than happy to sit down and chat with you in greater detail about this issue.

The CHAIRMAN. Or Admiral Blair.

Mr. LOCKE. And the other intelligence officials as well.

With respect to keeping good people, I agree with you that President Obama has excited people around the country to serve their communities, to be engaged in their communities, and to serve their country, whether it is tutoring in schools or cleaning up the environment. You name it. They are engaged. They care about this

country. And they are concerned about the future of this country. I think that is what this election was all about.

The challenge now is to capitalize on that energy and turn that enthusiasm into real permanent change in America. I can tell you that with respect to Government service, I have long believed that it is a very noble calling, and not just the elected officials and not just the top officials, but rank-and-file employees.

And when I was Governor of the State of Washington, our motto was we wanted the employees of the State of Washington, regardless of what they did, to be proud to call themselves State employees, to be as proud as if they were to call themselves an employee of Microsoft or Nordstrom or the Fred Hutchinson Cancer Research Center.

And so, we focused on programs that interfaced with the public to improve their interactions with government so that they could feel that government was efficient and effective and responsive. And we had recognition programs after recognition programs, even competition among State agencies on quality initiatives and showcasing the reforms that they were able to undertake.

I think we need that at all levels of government. Pushing innovation, pushing efficiency, but recognizing the great work of Government employees so that they, too, can be proud to say they work for the Government.

I think we need to look at retention policies, promotion policies, and compensation policies to keep the best and the brightest. I think any Government official will tell you that they have always been—they have always had a problem of keeping their best and brightest, who were always lured away by the private sector or even lured away by other governments.

State governments, for instance, might train the members of the Washington State Patrol, the premier law enforcement agency in America, judged the number-one law enforcement agency in America, only to have their members—after the State spent so much money training them, only to have them lured away with higher pay by some of the municipalities in the State of Washington or other governments around the country.

So salaries is an issue. Financial incentives, rewards have to be looked at to keep the best and the brightest within Government service.

The CHAIRMAN. Before I call on Senator Hutchison, I just want to make one statement that should cheer all of us up.

The applications for the Peace Corps, Teach for America, AmeriCorps, VISTA, all of those programs, all of them, are higher this year than they have ever been before. And the quality of the applications are higher than they have ever been before. That is a powerful statement from people who want to serve their country in a certain fashion, social service.

At the other end of the spectrum, but not really, the same thing is happening at the Central Intelligence Agency and the Defense Intelligence Agency. Their applications are at an all-time high now, and the quality of those applications is at an all-time high.

So somewhere in that fit, it says very good things about American will. What it doesn't say is it gets down to the solving of basic problems, like cybersecurity. But we have a generation now fol-

lowing another generation that really wants to help our country succeed.

Senator Hutchison?

Senator HUTCHISON. Thank you.

Governor, we talked about the census, and we talked about the Supreme Court ruling that you agree with and that you will comply with the law. Just one other point on that, and that is the Supreme Court did not specifically mention the intrastate redistricting. What you have said is, on the record, that you want people to be counted one by one in the right place as well. That would affect the intrastate redistricting.

Is it your view that the intrastate redistricting, meaning every person counted in their appropriate place, is also a function of the census that should be adhered to? The person in their proper place should be counted so that intrastate redistricting is also not going to be affected by statistical sampling?

Mr. LOCKE. It is my understanding that there are no plans within the Department of Commerce or the Census Bureau to use any type of statistical sampling with respect to population count.

Senator HUTCHISON. Thank you. I think that is clear and would apply to intrastate as well.

Let me ask you one last question—I think we have covered pretty well everything here through all the questions. The Department of Commerce and the Department of the Interior issued joint regulations last December on the use of the Endangered Species Act for climate change policy. And in the omnibus bill that passed last week, it contains a provision that the Secretaries of Commerce and Interior could concurrently withdraw within 60 days those joint ESA regulations without having to go through any notice or public comment and without being subject to any judicial review.

I am concerned about that, and that a joint set of regulations that went through the proper process and all of the comment periods and were in a final regulation, that you would then be able to withdraw it without any of those notices of proposed rulemaking about the withdrawal and the comment period before any kind of final withdrawal of that could be made.

What is your position on that, and is that something you are looking at?

Mr. LOCKE. Senator, I am not really well versed on the history of that particular issue. All I can say is that it is important with respect to any listings of endangered species that we follow the law and that we provide appropriate and full notice of any actions before they are taken so that there is ample time for public comment and feedback from other agencies and other stakeholders.

Senator HUTCHISON. Well, I think that it was an expansion of the use of the Endangered Species Act to affect global climate change policy rather than the normal use of the Endangered Species Act, which is to protect endangered species.

So my question is, would you agree that if you are going to withdraw a final regulation, that you would go through the processes of a notice of proposed rulemaking published in the *Federal Register* with comment periods before there would be any kind of change in the regulation that was promulgated last December?

Mr. LOCKE. Again, Senator, that is a little bit out of my league and out of my realm of expertise, and I am not familiar with the various legal requirements on how regulations are proposed under the Federal system and how regulations might even be withdrawn. So it is an area which I have almost no knowledge.

Senator HUTCHISON. Well, the omnibus bill did allow the withdrawal without going through the procedures, and so you could legally do something like that. And I realize you are not prepared to answer that, but I would like an answer on the record regarding your views on implementing that, in my opinion, erroneous direction that could be used.

I don't think we should waive the normal requirements for rulemakings because I think that they are very thorough, and I would hope that you wouldn't use the newly given authority that Congress did pass in the omnibus appropriations bill. And I would ask you to answer on the record if you would go through the normal process if, in fact, you were going to withdraw the regulation that was promulgated.

Mr. LOCKE. OK. I would be happy to do that, Senator.

Senator HUTCHISON. Thank you.

The CHAIRMAN. Let me just make a closing comment in thanking you for what has been an absolutely superb, on your part, statement of your values, your plans, your history, your nature, as well as your wife. And it is the following, and Senator Hutchison has just complicated it a bit because she and I have agreed that what we would like to do is to have a rolling vote tomorrow morning before the first vote or during the first vote and vote you out of this Committee.

Now it is also the practice that people do have questions that you need to answer. So what I would strongly counsel is that I have no idea what your afternoon or evening schedule is like, but what I would like to have it like is to get all of those questions answered, even if you don't write an encyclopedia on each one of them, so that we can, in fact, proceed with that rolling quorum call tomorrow in which you will be voted out. And then it is just a matter of getting unanimous consent from the Senate.

I mean, somebody may object. We may have to take a vote, but we always take our chances on that. But I would like to see you in place as soon as possible for the good of the Nation.

With that, this hearing is adjourned.

[Whereupon, at 12:30 p.m., the hearing was adjourned.]

A P P E N D I X

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

Mr. Chairman, I'm proud to be here today to support Governor Gary Locke in his nomination to be Secretary of Commerce.

As a former two-term Governor, a County Executive, and a State House Representative, Governor Locke brings a wealth of experience to this critical cabinet post.

In these tough economic times, with unemployment at a staggering 8.1 percent, Governor Locke understands the complexities and challenges facing our economy and our Nation first hand.

And as the former top executive of a border coastal state, he has the experience required to tackle key issues including trade and the environment.

The Commerce Department has jurisdiction over many important agencies that sorely need the attention of a committed Commerce Secretary.

I intend to reintroduce comprehensive legislation this year to protect our oceans and I look forward to working with the Department of Commerce and NOAA to pass this important bill.

I also believe that the Economic Development Administration (EDA) in particular, really needs our focus as we work to try to bring an end to this economic crisis.

The EDA can and must play an important role in helping distressed communities in my home state of California and across the country.

As Chairman of the Environment and Public Works Committee, I look forward to working with Governor Locke to reauthorize the EDA and take the necessary steps to help move our economy forward in the right direction.

Thank you, Mr. Chairman.

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

Governor Locke, congratulations on your nomination. I enjoyed our visit last week. I respect the depth and breadth of your background, and given the issues before us, your familiarity with China should be useful as well.

As I'm sure it hit home during the briefing process, the Commerce Department has an extremely broad jurisdiction. As Secretary of Commerce, you'll be confronted with a wide range of issues and during an economically distressed time for our Nation.

While you will have many pressing and important issues as Secretary, I hope that you will focus your attention on two important initiatives: science parks and broadband. At a time when the economy is stalled and international competition is growing, we need to do everything we can to provide good paying jobs for American workers. Science parks provide the launch pad that start-up companies need when they are "spun out" from a university or company. You also have a unique opportunity to dramatically change the lives of Americans who have not yet had access to broadband through the implementation of the Broadband Technology Opportunity Program. A successful broadband program will help deliver far reaching benefits for education, health care and business.

I look forward to your testimony and our ensuing discussion.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN D. ROCKEFELLER IV TO HON. GARY F. LOCKE

Question 1. How do you see the National Oceanic and Atmospheric Administration's role within the Department under your administration and what kind of support can we expect to see for National Oceanic and Atmospheric Administration and its missions?

Answer. I see NOAA as a leader in providing the science and information needed for wise decisionmaking as this Nation faces significant challenges such as climate, energy and the health of our ocean and coastal resources. I expect to fully engage with NOAA as decisions surrounding these challenges ultimately will have an impact on this Nation's commerce and economic prosperity. I value the importance of NOAA's service to this Nation and I will work to ensure that it is equipped to fulfill it's mission and meet its goals.

Question 2. What are your plans for the National Oceanic and Atmospheric Administration's budget given the needs for ocean and coastal research and management and climate monitoring and services?

Answer. NOAA has a diverse mission ranging from fisheries management to severe weather prediction to climate monitoring. Each year, NOAA goes through an extensive review of current and proposed programs, which allows for a continuous reevaluation of priorities and funding. I will work with NOAA and the Administration as well as Congress during this process to ensure the needs of climate, ocean, coastal and fisheries programs are addressed.

Question 3. Currently, the U.S. imports 84 percent of all the seafood consumed in our country. Of that, half of the imported seafood products are farm-raised, aquaculture products. What is your position on the need for or your support of creating a national framework for aquaculture in the United States?

Answer. Sustainably harvested wild caught fisheries will not be able to meet the projected increases in seafood demand. An environmentally safe offshore aquaculture regime may be able to meet such a demand and also decrease the Nation's demand on seafood imports. Should I be confirmed, I will work with the NOAA Administrator to develop a robust, comprehensive, environmentally safe offshore aquaculture scheme and consult with states, industry, environmental groups and all other interested parties.

Question 4. In 2000, Congress enacted into law the John H. Prescott Marine Mammal Rescue Assistance Grant Program (P.L. 106–555). The Prescott Grant Program is conducted by the Secretary of Commerce to provide grants or cooperative agreements to eligible stranding network participants for recovery and treatment of stranded marine mammals, data collection from living or dead stranded marine mammals, and operation costs directly related to the recovery and treatment of stranded marine mammals and collection of data from living or dead stranded marine mammals. As Secretary, would you support amendments to the Act that would: include entanglement response in addition to stranding; require the Department of Commerce to collect and update existing practices and procedures for rescuing and rehabilitating entangled marine mammals; establish an interest-bearing fund in the Treasury for emergency response to marine mammal entanglement and stranding; and allow the program to solicit and accept gifts and other donations to increase the impact of the program nationally? Would you be willing to work with the Committee on the reauthorization of this Act?

Answer. I am not yet familiar enough with this program to be able to commit to what I would support in a reauthorization. I understand that the program is extremely valuable and that the grants it awards are vital to maintaining a network of stranding responders. I support a reauthorization, but I am unable to comment at this time as to what elements a reauthorization bill should have. Should I be confirmed, I pledge to familiarize myself with the program and the Act and work with Congress on a reauthorization.

Question 5. In the 110th Congress, the Commerce Committee favorably reported S. 1580, the Coral Reef Conservation Amendments Act of 2007, to reauthorize the Coral Reef Conservation Act of 2000 and strengthen the authorities of the Secretary of Commerce to address threats to corals. Removing and responding to vessel groundings on coral reefs is a serious issue facing the National Oceanic and Atmospheric Administration and threatens the health of coral reefs. The previous Administration saw NOAA as central part of the solution to address vessel groundings. Do you support strengthening the Coral Reef Conservation Program within NOAA, including expanding the agency's ability to address vessel groundings on coral reefs through civil and criminal liability provisions? Would you support legislation to achieve this goal?

Answer. NOAA's Coral Reef Conservation Program is vital to protecting and conserving the Nation's coral reefs. I support a strong program now and in the future. Vessel groundings are a threat to coral reefs, but I am unfamiliar with NOAA's authorities related to prosecuting such incidents and would like to respond to you in more detail on this issue should I be confirmed.

Question 6. NOAA's Seafood Inspection Program is a voluntary seafood inspection program on a fee-for-service basis under the authority of the Agricultural Marketing Act of 1946. This program employs approximately 170 people and is entirely funded from fees it collects for its services. Last Congress, the Committee reported a bill, S. 2688, that would strengthen and expand this program. Would you be supportive of Committee efforts to advance this legislation again this Congress?

Answer. NOAA's Seafood Inspection Program lends vital support to the Food and Drug Administration's efforts to ensure that seafood entering the United States is safe for consumers. I support this program and continuing its ability to support the FDA, however, I am not familiar with the current legislation in Congress. Should I be confirmed, I look forward to learning about this issue and any relevant legislation and working with Congress to ensure it meets our needs and Congressional desires.

Question 7. I would like to ask a question about our strategy in the WTO Doha Round talks as it relates to the so-called "Rules" negotiations—*i.e.,* those dealing with disciplines against subsidies and "dumping" of products. As you know, China, Japan, India and others that have routinely violated international rules in this area are seeking to use the Doha talks to force weakening of U.S. laws against unfair trade. They are hoping we will make concessions in this area in return for an overall agreement in the Doha Round. Let me assure you that such an approach would lead to a catastrophic result when any agreement reached Congress. There is no tolerance in this body to weaken our trade laws and allow unfair imports to cause even more damage here.

It is clear that we need a very different approach to the Rules negotiations as compared to what we saw with the previous Administration. As far as I could tell, our prior strategy was to just let the trade law weakening proposals pile up on the other side, without putting forward any significant proposals of our own to *strengthen* international disciplines on unfair trade. I believe it is critical for the Administration to change this dynamic and put forward major, substantive proposals to enhance disciplines against unfair trade. These should include proposals to rectify the current disparate treatment of the U.S. income tax system vis-á-vis foreign VAT tax systems, proposals to force the WTO Appellate Body to follow a deferential standard in reviewing national unfair trade determinations, and proposals to rectify the raft of erroneous decisions the AB has issued over the years.

Please describe your strategy in this area and if you intend to put forward the type of proposals outlined above.

Answer. As you may know, the U.S. negotiating position in the WTO negotiations is under review, and I am certainly aware of Congress's concerns about recent WTO rulings affecting U.S. unfair trade laws. If confirmed, I look forward to working with USTR Kirk, Congress and other stakeholders as we review the U.S. negotiating strategy in the WTO to identify an approach that will maintain our effectiveness of our unfair trade laws.

Question 8. As you know, the United States specifically negotiated in the Uruguay Round to ensure that WTO dispute settlement panels and the Appellate Body would adopt a deferential standard of review in assessing national anti-subsidy and anti-dumping determinations. Where the relevant WTO agreements would permit of more than one reasonable interpretation, the intent was to allow national authorities to adopt whichever of these interpretations they felt would be most effective and beneficial. Over the years, the WTO Appellate Body has issued numerous decisions that have made a mockery of this standard of review, essentially finding that there is only one reasonable interpretation of key provisions—even where the provisions are unclear on their face and do not specifically speak to the issues in contention. Recently, the Appellate Body issued an analysis of the standard of review itself, an analysis that all but reads that standard out of existence.

I think it is fair to say that the level of frustration with the WTO dispute settlement system in this body and in the country is reaching a critical level. This latest effort to rewrite the applicable standard of review—and to gut a provision that was critical to U.S. support for the Uruguay Round—shows just how out of control the situation is.

How do you plan to address this problem and to ensure that the WTO dispute settlement system will, going forward, operate in the manner intended? What can we do—and what will you do—to see that the past erroneous decisions issued by the Appellate Body are corrected? I would welcome the opportunity to work with you and USTR on how we can get a grip on this issue, and what steps Congress can take to achieve real change.

Answer. I am aware of your specific concerns with respect to the WTO Appellate Body decisions. As I noted above, all of our positions are under review. If confirmed, I look forward to working with USTR Kirk and the Congress on this review.

Question 9. I would like to ask you about the anti-dumping methodology sometimes referred to as "zeroing." As you may know, the United States has employed this methodology—which is essential in measuring the full extent of foreign unfair trade—for decades. We used this methodology, as did many other countries, long before the Uruguay Round agreements were adopted, and after they were adopted. There were proposals made in that Round to prohibit this practice, but those proposals were never adopted. Despite this long history and clear negotiating record, and in some of the most widely-criticized decisions it has issued, the WTO Appellate Body has now interpreted the agreements to prohibit zeroing. Essentially, foreign countries trying to weaken unfair trade rules have now obtained through litigation what they could not obtain at the negotiating table.

In my view, this is one of the most egregious examples of what is wrong with the WTO dispute settlement system. It has also resulted in a serious weakening of our laws, in that the Bush Administration partially implemented this wrongheaded precedent in the context of anti-dumping investigations. It is critical that we seek a negotiated resolution of this issue that would clearly overturn the AB's faulty rulings and restore the historic practice used in the United States.

Please describe your strategy to ensure that the AB decisions in this area are overturned. Can you assure me that you will take no further steps to implement this flawed AB precedent?

Answer. I am aware of your specific concerns with respect to the rulings of the WTO Appellate Body concerning "zeroing" and, if confirmed, I will work with Members of Congress and USTR Kirk to review our strategy to ensure that we maintain the effectiveness of our unfair trade laws.

Question 10. What are your plans to: (1) increase the number of overseas travelers who come to visit the United States; and (2) convince foreign businesses to expand their operations and investments here?

Answer. I certainly recognize the importance of the U.S. travel and tourism industry to the U.S. economy in general, and the impact of the economic crisis on the industry. If confirmed, I will ensure that the Commerce Department undertakes a robust promotion program, developed in close consultation with key stakeholders including Members of Congress and the industry. I am aware of the Commerce Department's "Invest in America" program that seeks to attract foreign investment to the United States. I look forward to working with you on other creative ways to encourage foreign direct investment in the U.S.

Question 11. Enhancing the protection of American intellectual property in other countries has been a priority for Congress for many years. Congress has provided the Administration with a variety of tools, including the so-called "Special 301" annual review, to leverage other countries to better protect our Nation's creations and innovations. I am concerned about the impact of certain technological developments on the protection of music, films, software and other copyright materials that are now openly and illegally distributed on the Internet, as well as by the role of organized criminal syndicates in the production and distribution of counterfeit and pirate materials. Can we have your commitment that you will work with us and use these tools creatively and forcefully toward achieving the improved protection of American intellectual property in other countries?"

Answer. If confirmed, I can assure you that I will work with you toward achieving the improved protection of American intellectual property in overseas markets.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. KAY BAILEY HUTCHISON TO HON. GARY F. LOCKE

Question 1. Last December the Department of the Interior and the Department of Commerce published joint final regulations to clarify the consultation process under the Endangered Species Act (ESA). This rule clarified the role of climate change and global processes in Section 7 ESA consultations. These regulations were developed through an open and transparent public process and complied with the Administrative Procedures Act.

Recently the President signed into law a provision, contained in the Fiscal Year 2009 Omnibus Appropriations Bill, which gives the Secretaries of Commerce and Interior the authority to repeal this rule without having to comply with the Administrative Procedures Act and without any public comment. Given the potential eco-

nomic and legal consequences of repealing this rule, would you be willing to leave it in place?

Answer. As directed by the President and Congress I will review this rule in consultation with Secretary Salazar and decide upon a course of action. Until that review is complete I cannot commit to a particular outcome.

Question 2. If you decide to repeal this rule do you commit to an open and transparent process that complies with the Administrative Procedures Act and other applicable laws that govern the repeal of Federal regulations?

Answer. If we decide to repeal the rule, I would want to explore our options for how to proceed. Again, this decision will be made in consultation with the Department of the Interior. I commit to be in contact with you and welcome your views through this process.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN F. KERRY TO HON. GARY F. LOCKE

Question 1. The broadband provisions of the Recovery Act are not limited to grants to build new infrastructure. To the contrary, the statutory goals include "facilitat[ing] access to broadband service by low-income, unemployed, aged, and otherwise vulnerable populations"; "stimulat[ing] the demand for broadband"; and "increas[ing] the affordability of, and subscribership to, [broadband] service." This focus on demand-side stimulus is appropriate because, while terrestrial broadband service today is available to over 92 percent of U.S. households, only an estimated 55–61 percent of such households actually subscribe.

I believe that the $250 million in funds set aside in the Recovery Act for adoption of broadband should be a minimum and that actually, more than this amount should be spent to ensure that consumers can take advantage of this technology that is so important for job creation and economic stimulus. The uses of broadband as economic stimulus are countless, from enabling someone to search for a job, to start a small business, or to work or learn out of their home.

How do you envision the NTIA moving forward to utilize demand side broadband funds? Do you anticipate allocating more than the $250 million allotted in the Recovery Act?

Answer. I agree that providing demand-side stimulus is a critical goal of the Broadband Technology Opportunities Program. The Recovery Act explicitly specifies that the program be designed to "stimulate the demand for broadband, economic growth, and job creation" and provides at least $250 million for sustainable broadband adoption. This amount is a floor, not a ceiling. Possible methods by which NTIA may utilize demand-side funds include programs designed to provide broadband education, awareness, training and even equipment. There is a wide range of possible methods that NTIA may employ and the agency is seeking input from the public on these issues. NTIA is still holding public meetings and is still in the process of seeking public comment on a wide range of issues pertaining to the Broadband Technology Opportunities Program, including the appropriate allocation of funds. If confirmed, I am certain that NTIA will consider carefully demand-side impact when formulating the final rules for the grant program.

Question 2. Programs such as Lifeline/Link Up through the Universal Service program have been successful in assisting low-income consumers in obtaining telephone service. Would NTIA consider implementing a similar program to assist with broadband service, or providing a grant to USAC to establish a broadband Lifeline/Link Up program?

Answer. The Broadband Technology Opportunities Program of the American Recovery and Reinvestment Act of 2009 has many important goals. One of these is to ensure that broadband services be accessed by the most vulnerable populations, including low-income consumers. USAC, an independent, not-for-profit corporation that was created in 1997 by the Federal Communications Commission to administer the Universal Service Fund, may be eligible to apply for grant money under the Act. I believe that as NTIA considers all the grant applications, it should seek to ensure that the goals of the Program are fully satisfied. If confirmed, I will work to ensure that NTIA works closely with the states to identify those consumers and those areas that most need access to broadband services.

Question 3. Last week, the *Washington Post* published an article entitled "Stimulus Dollars Energize Efforts to Smarten Up the Electric Power Grid," and defined the Smart Grid as what will be an ". . . array of switches, sensors and computer chips that will be installed at various stages in the energy-delivery process—in power stations, in electricity meters, in clothes dryers." One of the major obstacles

to deploying the smart grid is the lack of technological standards governing smart grid devices and the patchwork of standards currently governing the grid.

In the American Recovery and Reinvestment Act, we provided $10 million to energize NIST's efforts to develop the protocols and standards necessary to achieve interoperability of Smart Grid devices and systems. How will NIST use these funds to support the development of Smart Grid technology?

Answer. As I understand it, NIST is using the ARRA funds to accelerate the standards development process. I am aware from the NIST Deputy Director's testimony before the Senate Energy and Natural Resources Committee 2 weeks ago that NIST expects to deliver an interim interoperability standards roadmap by June.

Question 4. A number of states have already developed interconnection standards to allow for consistent, straight forward procedures and requirements for connecting to the grid. Massachusetts, for example, has created and adopted a Model Interconnection Tariff through a collaborative, stakeholder-involved process that simplifies the interconnection approval process, limits fees, and ensures applications are processed within a short, set timeframe. Are there any best practices you have observed at the state level that you believe will help NIST develop interconnection standards at the national level?

Answer. NIST is certainly looking at the states for any best practices that are applicable for Smart Grid interoperability at the national level. One example is Boulder, CO, the first fully integrated smart grid city in the U.S.

Question 5. What are your security concerns around the running of the core infrastructure of the Internet and the role the United States plays in that security? Do you believe there are security concerns around the running of the core infrastructure of the Internet that should be addressed before the U.S. Government gives up oversight of ICANN?

Answer. Preserving the stability and security of the Internet's core infrastructure is critical given the importance of the Internet to economic development. If confirmed, I will work to ensure that the Department of Commerce will take no action that compromises this system.

Question 6. Should the Department of Commerce stay involved with ICANN through a further agreement until some of the key issues that have been brought up through the Joint Partnership Agreement (JPA) review process are reviewed and settled?

Answer. I do not wish to pre-judge the outcome of the disposition of the Joint Project Agreement, but preserving the security and stability of the Internet's Domain Name and Addressing System will continue to guide any actions taken by the Department in this area if I am confirmed. I understand that the Department expects to undertake public consultations in the coming month which will inform any decision made about the JPA's future, keeping in mind that ICANN can only succeed if it enjoys the confidence of the community it serves.

Question 7. Will you commit to working with the President to fulfill his campaign promise to double funding for the Manufacturing Extension Partnership, which has proven to be highly effective in creating jobs and helping American small manufacturers compete in the global marketplace?

Answer. I agree with the President that manufacturing is a key driver of the economy and support his manufacturing agenda that doubles the MEP budget. MEP is a valuable program that has a proven track record in helping U.S.-based companies compete. The COMPETES Act (P.L. 110–69) was a great boost to the programs at NIST—in particular the MEP—and I will, if confirmed, work with you to implement the provisions of that bill.

Question 8. The New England groundfishery is facing unprecedented challenges, as it looks to implement a sector-based management plan in 2009. Do you believe that sector-based management will provide an effective mechanism to support the rebuilding goals of the Magnuson-Stevens Act while providing a lifeline for the region's fishermen?

Answer. I believe sector-based management and other limited access privilege programs can be valuable tools for fishery management. In New England, the controls currently used to manage the fishery, such as Days at Sea, have not gotten the fishery to where it needs to be. Examining new alternatives such as sectors is a worthwhile endeavor.

Question 9. What role will you personally take in implementing sector-based management and ensuring the survival of the New England groundfishery?

Answer. I plan to work closely with the NOAA Administrator and the Assistant Administrator of NOAA's Fisheries Service to ensure sector-based management is considered through the Council process.

Question 10. Illegal, unreported and unregulated fishing poses a tremendous challenge for the sustainability of our ocean and fisheries resources. The absence of sanction measures within the Regional Fisheries Management Organizations (RFMOs) appears to be a significant challenge in enforcing any strong fisheries management measures within those organizations. Do you agree that this is a problem? Will the U.S. propose more stringent sanction measures within the RFMOs that it plays an active role in?

Answer. Compliance is a serious problem in the Regional Fisheries Management Organization context and tough consequences (such as sanctions) for non-compliance is an important tool in deterring illegal fishing activities. However, it is also important to work multi-laterally and maintain good relationships with other countries to solve these problems. Should I be confirmed, I look forward to working with NOAA and the Department of State to determine and propose appropriate consequences for countries that ignore international fishery agreements.

Question 11. As you know, the International Whaling Commission (IWC) is the body charged with the conservation of the world's whales. The IWC is at a crossroads, and a new proposal regarding coastal whaling appears to support partial resumption of commercial whaling. As Commerce Secretary, will you seek to strengthen the existing commercial whaling moratorium?

Answer. Unfortunately, despite the International Whaling Commission (IWC) moratorium on commercial whaling, there are thousands of whales killed each year and their meat ends up being sold in markets in Japan, Iceland and Norway. Should I be confirmed as Commerce Secretary, I will, with NOAA's support, actively work with our Administration colleagues to support IWC measures that support the best interest of the Nation and the resource.

Question 12. As the Department of Commerce moves to ensure that we convert from the analog age to a digital age, one aspect of that change—the disposal of electronic waste has come to the forefront. A recent picture in the *Washington Post* showed a discarded old TV by the side of the road in an article on the DTV transition. In Massachusetts, I know that there have been multiple efforts to recapture and recycle this waste, recognizing that there are a number of minerals that are potentially harmful to the environment. What is the Department doing to promote the collection of E-Waste?

Answer. It is my understanding that the Department of Commerce has implemented an electronic stewardship program in accordance with Executive Order 13423, "Strengthening Federal Environmental, Energy, and Transportation Management." I know informally that the Department has a number of other opportunities for employees to be more environmentally conscious with electronic equipment and its usage and disposal. I look forward to learning more about it if confirmed.

Question 12a. Is this an area that we should place a greater emphasis on as part of the DTV transition?

Answer. I agree that more attention needs to be paid to ensuring the proper disposal and recycling of electronic waste, through both voluntary efforts and market-driven initiatives. It is notable that the 25 million coupons that have been redeemed toward the purchase of a TV converter box equate to 25 million analog televisions that may have otherwise become E-Waste, but now have had their life and utility extended. That said, as I stated in my oral testimony today, I am committed to upgrading the quality and clarity of information that is provided to the American public about the DTV transition, especially through Public Service Announcements. I believe including information about E-Waste disposal and recycling in these PSAs is an idea worth exploring.

Question 13. Should we mandate that all manufacturers recycle all products they produce? What role should retailers play in recycling? What would the E-Waste include, for example, should it include all devices that plug in the wall or use rechargeable batteries?

Answer. As with efforts being made internally as discussed in item a. above, the Department believes that opportunities exist across the private sector to establish programs for effectively recycling E-Waste. It stands ready to work with other agencies and organizations such as the Environmental Protection Agency and the Center for Environmental Quality to develop a reasonable, workable approach for implementation. As a possible first step, we believe it may be beneficial to establish an advisory group comprised of representatives from Federal, state and local government agencies as well as the manufacturing and retailing sectors.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BYRON L. DORGAN TO HON. GARY F. LOCKE

Question 1. The NTIA has just been given $4.7 billion from the recovery bill to run a broadband grant program to stimulate broadband build-out. I supported this funding—I want to see an increase in broadband service and competition across the U.S. I hope that the NTIA will not leave rural broadband to the USDA's RUS program (which got $2.5 billion for this grant program), but that the NTIA will also learn about rural areas and fund grants to rural America as well. Will the NTIA also concentrate on rural areas?

Answer. NTIA and the USDA's RUS program will be working together to achieve greater access to and adoption of broadband in communities nationwide. While the RUS program's core responsibility is to rural areas, NTIA's responsibilities extend to any "unserved" or "underserved" areas, whether urban, suburban, rural or frontier. In carrying out this responsibility, NTIA will be coordinating closely with RUS to ensure that program funds are used in the most effective and efficient way possible. NTIA will dedicate considerable attention to the needs of rural areas and, if confirmed, I will ensure that NTIA is committed to helping serve rural areas.

Question 2. The NTIA was also instructed to write a non-discrimination condition for broadband service funded by these grants. I hope you will encourage those writing the conditions to ensure they truly protect against discrimination. I believe all networks should abide by non-discrimination provisions, and especially those that are publicly funded. Are you confident that the NTIA will write a strong condition that protects against discrimination on the Internet?

Answer. The American Recovery and Reinvestment Act of 2009 instructs NTIA to issue non-discrimination and network interconnection obligations that will be contractual conditions of broadband grants it issues pursuant to the Act. Those obligations, at a minimum, must adhere to the principles contained in the Federal Communications Commission's 2005 broadband policy statement. On March 12, 2009, NTIA published a Request for Information that, among other things, seeks public comment on the nature and extent of non-discrimination and network interconnection it should impose on grant recipients. I am confident that through the public comment process NTIA will gain the information necessary to write non-discrimination and network interconnection conditions that fully protect the public.

Question 3. In general, do you see the Commerce Department playing an active role in the development of telecommunications policy? How will the Commerce Department interact with the FCC and in their regulatory proceedings?

Answer. As the President's principal adviser on telecommunications policy, the NTIA has historically played and will continue to play an important and active role in the development of telecommunications policy. This role involves close coordination with other Federal agencies, including the FCC. The American Recovery and Reinvestment Act stipulates specifically that NTIA consult with the FCC in the establishment of the Broadband Technology Opportunities Program and, through the provision of numerous resources including data and, more importantly, expert counsel, the FCC has already aided NTIA and advanced the process considerably. If confirmed, I will continue to encourage a cooperative and collegial relationship between NTIA, the FCC and other Federal agencies.

Question 4. I am concerned, that even when the United States enforces the laws to defend our producers against unfair trade acts, the WTO dispute settlement system undermines our enforcement efforts. In decision after decision, the WTO overturns proper and legitimate trade law rulings by the U.S. Government. The WTO routinely creates new obligations for the United States that we never agreed to in negotiations. As Secretary, what steps will you take to ensure that the Department can use all appropriate methodologies, including zeroing, to offset injurious dumping by foreign unfair traders? What actions will you take to make certain that the WTO dispute settlement system is not abused by those same unfair traders to undermine our laws?

Answer. I am aware of the concerns of the Congress with respect to these WTO rulings. If confirmed, I look forward to working with USTR Kirk and the Congress to ensure that our unfair trade laws are administered in a strong and effective manner, and that they are not undermined through the WTO process.

Question 5. The U.S. trade deficit continues to be a staggering problem for our economy. We will not fully recover in less and until we get this trade deficit under control. The Department of Commerce has perhaps the most important role in meeting this challenge. It must open new markets to U.S. goods and services. It also must guard the U.S. market against abusive practices by foreign producers who simply want to take advantage of our open market policies. What policies do you

plan to implement to ensure that foreign goods are traded fairly in the United States? What is your view of the proper role for the trade laws in helping our economy to fully recover?

Answer. Enforcement of our trade laws will clearly be a top priority for this Administration and for me personally. Protecting workers and U.S. businesses from unfair trade practices and opening markets abroad is a core mission of the Commerce Department and will remain so. I look forward to working with you and other Members of Congress, the Cabinet and especially USTR Kirk to develop an effective enforcement strategy and to execute it.

Question 6. One of the offices that you would be in charge of as Secretary of Commerce is the Patent and Trademark Office. As you may know, some of my colleagues in the Senate are leading an effort to bring patent legislation to the floor of the Senate this year. Do you think it is important to ensure that any modification of our patent laws protects our manufacturing sector and continues to encourage innovation?

Answer. The last major revision of patent laws occurred in 1952. Since then American innovation and invention have transformed the world and will play a significant role in bringing us out of recession. Patent reform is a complex issue that merits careful consideration and review, especially in light of several recent landmark Supreme Court cases. If confirmed, I will work with USPTO to ensure that stakeholders views, including the manufacturing section, are considered in this important debate.

Question 7. I understand that it's possible that the public broadcasting infrastructure program at NTIA—the Public Telecommunications Facilities Program (PTFP)—might not be included in the President's budget for FY 2010.

This program provides a critical resource for station infrastructure maintenance and upgrades. PTFP has helped ensure that stations are able to serve over 95 percent of this country—reaching the most underserved populations with local public TV and radio. Already for FY 2010 there are $48.5 million in grant applications pending at NTIA for a program that only has $20 million. Clearly eliminating such a critical program which has already suffered significant backlogs over the past 5 years would be harmful to the system.

In North Dakota alone, PTFP has funded over $6 million worth of grants since 2000. Can I ask that you look into this and that you work with us to maintain funding for the PTFP?

Answer. I have not been made aware of funding levels for the President's FY 2010 budget. However, if confirmed, I will look into the funding for this Program and report back to you.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BARBARA BOXER TO HON. GARY F. LOCKE

Question 1. The Economic Development Administration (EDA) is the only Federal agency whose sole mission is to promote private sector job growth in economically underserved communities. I am a strong supporter of EDA's efforts in communities across our Nation and believe the assistance it provides is particularly important when our economy is ailing. Can you commit that if confirmed you will look for opportunities for EDA and that it will play a prominent role within the Department of Commerce?

Answer. The Department of Commerce's Economic Development Administration (EDA) is tasked with leading "the Federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy." This mission is critical in both robust economic times and in more troubling times such as the ones we are facing today. For that reason, the President included EDA in its FY10 budget highlights and provided $50 million in regional planning and matching grants to support the creation of regional innovation clusters that leverage regions' existing competitive strengths to boost job creation and economic growth. It also proposed to launch a $50 million initiative in EDA that will create a nationwide network of public-private business incubators to encourage entrepreneurial activity in economically distressed areas.

In addition, EDA is working closely, as I understand it, with the Department to distribute the $150 million in funding EDA received through the Recovery Act with priority for areas experiencing severe job losses due to corporate restructuring.

Question 2. EDA's authorization, the Economic Development Administration Reauthorization Act, expired in September 2008 and the Environment and Public Works Committee is planning to reauthorize EDA this year. A key issue for reau-

thorization is funding, which the Bush Administration cut. EDA received about $250 million in Fiscal Year 2008, which was a nearly 40 percent cut from FY 2001 ($412 million). The FY 2009 Omnibus Appropriations includes $240 million for EDA. Do you agree that agencies like EDA have a critical mission and should be supported, especially in tough economic times?

Answer. The President has included EDA in its Fiscal Year 2010 budget highlights and provided $50 million in regional planning and matching grants to support the creation of regional innovation clusters that leverage regions' existing competitive strengths to boost job creation and economic growth. The budget also proposed a $50 million initiative in EDA that will create a nationwide network of public-private business incubators to encourage entrepreneurial activity in economically distressed areas.

Question 3. As Secretary of Commerce, you will have jurisdiction over the National Oceanic and Atmospheric Administration. Under your Administration, will you work to make ocean protection a higher priority in national policy decisions than it has been in the past? What will you do to improve inter-agency and intra-agency coordination of policies that affect the oceans?

Answer. Yes, as Secretary I will support NOAA and work to engage other agencies to bring these issues to national attention and improve our current ocean policies.

Question 4. Do you support the creation of a comprehensive national ocean policy and codification of NOAA?

Answer. From my experience as the Governor of the State of Washington, I understand that the issues surrounding the management and protection of living marine resources is a complex issue that has direct impacts on local coastal communities and ocean users. As the pressure is only increasing on these resources, the need for a comprehensive national approach to ocean policy and decisionmaking is necessary. While I can't speak to any specific Act, I do support the idea of codifying NOAA's current mission within the Department of Commerce and, if confirmed, look forward to working with you to that end.

Question 5. What will you do to foster the timely development of NOAA's satellite programs?

Answer. NOAA's satellites are crucial tools that are valuable to the Nation and the world, providing important information for weather forecasting and climate change monitoring. The cost overruns that have plagued one of NOAA's next generation satellite programs, the National Polar-orbiting Operational Environmental Satellite System (NPOESS), are a substantial problem and need to be fixed. Since NPOESS is a joint program with the Department of Defense, with the National Aeronautics and Space Administration (NASA) as a key partner, I am prepared to engage with NOAA's leadership and work with the White House as necessary to ensure this crucial national program for weather and climate forecasting gets back on track.

Question 6. What do you see as the role of commercial sources for NOAA's weather and climate data needs?

Answer. The Nation's ability to respond to weather events and climate change is dependent on data available. I understand that NOAA and its Federal partners generate much of the data used, however, I recognize that commercial sources for such data may be a valuable complement to Federal agency assets. Should I be confirmed, I intend to learn more about NOAA's weather and climate functions. I commit to examining NOAA's current uses of commercial data sources and determining where it may supplement Federal agency abilities with commercial services.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BILL NELSON TO HON. GARY F. LOCKE

Question 1. Right now, there are two requests for fishery closures on both of Florida's coasts. One deals with endangered loggerhead sea turtles and the Gulf of Mexico longline grouper fishery. Another potential closure looms for the red snapper in the South Atlantic.

These issues are painful, controversial, and will cause economic harm in a state with 8.6 percent unemployment.

Governor Locke, in order to implement the Magnuson-Stevens Act (MSA) the way it was envisioned, the Fishery Management Councils must step up and implement long-term measures in a timely manner instead of sending emergency requests to the Federal Government for a fishery shutdown. Will you work with me to ensure

fishery management councils step up and manage resources proactively and for the long term?

Answer. Yes, I am committed to working with you to ensure that we manage fisheries in a manner that achieves sustainable resources and healthy fishing communities and that preempts the need for emergency rulemaking. Should I be confirmed, I will ensure that NOAA works closely with fishery management councils and other appropriate stakeholders to ensure proper monitoring of fishery and other marine resources to avert potential crises.

Question 2. It's also very important to me that while we manage our natural resources and protected species we also strike a careful balance protecting jobs and a way of life for our people. With respect to the grouper fishery, there are some measures that can be taken immediately—such as working to convert gear for fishermen and funding onboard observers. Will you work with me to ensure all options to keep this fishery open, including the two I just mentioned, are thoroughly examined and aggressively pursued?

Answer. I agree that onboard observers and gear technology are essential to ensure the goals of healthy fisheries, fishing communities, and the recovery needs of protected species and, should I be confirmed, will commit NOAA to investigate both to ensure the balance between healthy coastal communities and healthy marine resources is met.

Question 3. Climate change is a complex problem, impacting our national security, our safety and health, and our economy. But, the Nation lacks a coherent, integrated, long-term strategy to understand and address the consequences of climate change. Dr. Lubchenco, in her testimony to this Committee, supported the development of a National Climate Service within NOAA. As Secretary of Commerce, where would climate science fall within your list of priorities, and do you believe that a National Climate Service should be situated within NOAA?

Answer. President Obama has made addressing climate change a top priority for his Administration. As NOAA is a leader in climate science and research, these would be top priorities for the Department of Commerce should I be confirmed. I do believe we need a National Climate Service to meet the needs of our Nation to better understand climate impacts and deliver information critical to adaptation, mitigation, and management planning. Working with many other agencies, including the EPA, Department of the Interior, Department of Energy and Department of Agriculture, NOAA should lead a National Climate Service based on its existing mandates to provide climate information and services and experience managing end-to-end climate operations. NOAA can build upon its strong climate monitoring, research, and assessment capabilities, and translate climate data and research into information and services that address the needs of stakeholders at the local, state, regional, and national level.

Question 4. Satellite sensors are the indispensable tools that let us monitor sea level globally. The Jason/OSTM satellite missions, jointly led by NASA–NOAA–CNES–EUMETSAT, plays two very important roles: (1) it provides a long-term survey of Earth's oceans—tracking ocean circulation patterns, and measuring sea-surface heights and the rate of sea-level rise; and, (2) is used to assist in forecasting short-term, severe weather events, including tropical cyclones.

This is a proven technology, and to maintain continuity, NOAA will need to assume responsibility for the funding of the next Jason mission, in partnership with EUMETSET. Where does the Jason mission fall within your budget priorities for 2010 and beyond?

Answer. I have not been involved in the Department's budget process for FY 2010 and beyond, but the impacts of climate change, like sea level rise on coastal communities, are significant issues. NOAA has an important role in environmental monitoring for climate through satellites, buoys, ships, aircraft and other means, and I support NOAA's continued work in this area.

Question 5. In 2000, more than 127 million people—45 percent of the U.S. population, lived in coastal watersheds. From 2003 to 2008, for example, the populations in St. Johns River, FL, Cape Canaveral, FL, and Santa Ana, CA, all grew by over 70 percent. These communities will be directly impacted by sea level rise. What plans does Commerce have in place to deal with the economic impacts, as well as physical impacts, of sea level rise? How will Commerce take the lead on this issue?

Answer. The economic and physical impacts of sea level rise present a significant challenge for the Nation. Communities like St. Johns River, Florida, must be supported in their efforts to adapt to a changing climate. I believe NOAA's climate research and science activities should support adaptation decision-making and lead efforts to assist communities in assessing their risks and vulnerabilities and developing strategies for action.

Should I be confirmed as Commerce Secretary, I intend to familiarize myself with the plans Commerce has in place to deal with economic and physical impacts of sea level rise. I would expect Commerce to work with local, state, and regional governments and organizations to proactively address sea level rise impacts from climate change. Decision-makers at these levels need the information and tools to take smart action to protect lives and property, and safeguard the economic infrastructure that exists on our coastlines. Such information could be provided by a NOAA-led national climate service, in partnership with a variety of other Federal agencies and across levels of government and the private sector.

Question 6. NOAA has one Hurricane Hunter G–4 aircraft, and if this plane is down for maintenance during hurricane season, we could have a serious problem, placing lives and communities at risk. We need to work together to find the resources needed to address this issue.

Answer. NOAA's Hurricane Hunter flights are vital to the Nation's ability to prepare for and respond to impending hurricanes. I am not familiar with NOAA's entire fleet or any mitigation plans it may have in the event of an aircraft being unavailable during a hurricane. I understand that the U.S. Air Force also contributes to hurricane flights. Should I be confirmed, I pledge to examine NOAA's current operational and mitigation plans. I commit to work with you to identify and improvements that can be made.

Question 7. Governor, as you know, there are some real concerns regarding the accuracy of the forthcoming census. What will you do to ensure that the low-income populations and minorities are accurately counted in the census?

Answer. The Census Bureau has a wide array of operations in place to reach everyone with a particular focus on hard-to-count populations. Every decennial census field operation is designed to achieve maximum coverage. Examples include specific operations for people who live in remote rural areas, people without conventional housing, and operations for multi-unit housing in cities where the Post Office may not deliver to each household. In addition, census staff conducting field interviews are drawn from the communities where they will work. They know the culture and speak the languages of the people they need to reach. For the first time, the Census Bureau will mail a replacement questionnaire to households in hard-to-count areas and they mail bi-lingual Spanish/English forms to 13 million households. The Census Bureau also implements a program to make questionnaires available to people that think they have been missed and they will provide support in 59 languages.

All of this is enhanced by the communications and partnership program. For 2010, the Census Bureau is using an approach that integrates a mix of mass media advertising, targeted media outreach to specific populations, grassroots marketing, and special events. By integrating these elements with each other and with the Census Bureau's 2010 Census operations, the campaign will help ensure that everyone, especially those hardest to count, is reached. This is combined with a partnership program that mobilizes the trusted voices in communities where people live, and in the organizations that people trust, to convince people that the census is important to their lives, and that their participation in it is safe. I am confident that these efforts, taken together, will go far to address the differential undercount observed in prior censuses. I share the Census Bureau's commitment to counting everyone, including the hard-to-count. Supporting this effort will be one of my highest priorities as Secretary.

Question 8. There has been a fair amount of discussion about moving the Census Bureau from the Department of Commerce into the White House or making it an independent agency. What is your position on whether or not the census should be kept within the Commerce or moved? And assuming it stays within Commerce, what will you do to ensure that it receives the priority attention it requires?

Answer. The Census Bureau became part of the Department of Commerce in 1903. Since that time, the Secretary has exercised oversight of the Census Bureau to aid in its successes and to mitigate forecasted failures. In 2007, after being informed of emerging problems with the Census Bureau's plans to use a handheld computer for its major field operation, the Secretary appointed key departmental staff to a task force to examine the status of this operation and provide recommendations for cost containment and to reduce the risk of a failed 2010 Census. The Secretary's direct intervention and attention to these issues was instrumental in getting the census back on track.

If I am confirmed, I will move quickly to facilitate the appointment of a Census Director, with whom I will work closely. Until that time, I will direct key staff to continue the extensive review process currently in place that tracks the operational readiness of key components of the census operation, including IT systems, costs,

schedules and risks containment. I will submit to the Congress regular status reports on the critical operations necessary to conduct a successful 2010 Census.

Question 9. As you know, much of the future growth in broadband will occur in the wireless sector. This growth, however, will almost certainly require the allocation (and auction) of additional spectrum to the private sector. What role do you see NTIA playing in efforts to reallocate unused or underused government spectrum in the next 2 to 3 years?

Answer. I recognize that expansion of broadband services will depend, in part, on the availability of spectrum. To that end, I support the efficient and effective use of the Federal radio spectrum and will ensure that NTIA continues to work with the Federal agencies to identify spectrum that may be unused or underused.

NTIA has reallocated a significant amount of spectrum to support wireless development. While I support finding ways to make more spectrum for available for commercial wireless uses, I also recognize the critical importance that Federal radio frequency management plays in the areas of national security and public safety. To that end, I will work collaboratively with the Federal Communications Commission to bring these services to the marketplace without compromising the critical missions of the Federal Government.

Question 10. In terms of the overall administration of the Broadband Technology Opportunities Program (the stimulus broadband grants program or "BTOP"), what do you see as the more pressing issue: getting broadband to as many areas as possible (the "supply issue") or ensuring affordable access to broadband for as many people as possible (the "demand issue")?

Answer. Addressing both issues is critical to BTOP's success and, therefore, NTIA will be considering grant applications that address broadband supply and broadband demand with a special attention to whether proposed projects are viable and sustainable. The American Recovery and Reinvestment Act charges the Department of Commerce with the responsibility of addressing the broadband needs of both "unserved" and "underserved" populations and facilitating greater use of broadband services. The challenges facing Suwannee County may differ markedly from the challenges facing downtown Miami. Past experience has taught us that availability is often a more significant issue in rural areas and adoption a more significant issue in urban areas but, if confirmed, I will treat both prongs as essential.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. FRANK R. LAUTENBERG TO HON. GARY LOCKE

Question 1. While existing U.S. sanction laws prohibit American firms from investing in Iran, a loophole allows American companies to do business with Iran through their foreign subsidiaries. If confirmed as Secretary, what actions will you take to end this practice?

Answer. If confirmed, I am fully committed to working with the Department of the Treasury, which has primary jurisdiction for this issue, to prevent the proliferation of sensitive U.S. technologies to Iran.

The Department of Commerce implements and enforces regulations regarding the export and reexport of U.S. dual-use items to Iran.

It is my understanding that as a general rule, existing regulations do not permit American companies to export or reexport items to Iran through their foreign subsidiaries. I am aware of recent news reports that suggest some companies may be doing business in Iran through their foreign subsidiaries. If confirmed, I commit to making this issue a priority within the Department and the Bureau of Industry and Security, which is the Commerce lead on this matter.

Question 2. As you know, the economic recovery package included $4.7 billion for NTIA to promote broadband. In New Jersey, broadband has been deployed throughout the state, but many low-income residents cannot afford it. How will you ensure that the broadband funds in the recovery package reach these underserved low-income residents, and not just more rural areas of the country?

Answer. The Broadband Technology Opportunities Program of the American Recovery and Reinvestment Act of 2009 has many important goals. One of these is to ensure that improved access to broadband service is provided to those consumers living in underserved areas of the United States. One of the tasks that NTIA has in implementing this Program is to define the term "underserved" and to adequately differentiate "underserved" from "unserved." To that end, on March 12, 2009, NTIA published Request for Information that, among other things, seeks public comment on how to define these terms. Public comment on these and other issues will be accepted through April 13, 2009. In addition, NTIA is in the process of holding a se-

ries of public meetings that are examining, among other things, these definitional issues. In keeping with the goals of the Program, it is critical that broadband services be accessed by the most vulnerable populations, including low-income consumers. If confirmed, I will work to ensure that NTIA works closely with the states to identify those consumers and those areas that most need access to broadband services

Question 3. The Commerce Department's primary mission is to promote economic growth and create jobs. Sound Federal investments in transportation create jobs, decrease congestion, increase business productivity and benefit the environment. If confirmed, will you work in partnership with others in the Administration to ensure we are making sufficient investment in our transportation infrastructure?

Answer. The Department of Commerce's Economic Development Administration (EDA) is tasked with leading "the Federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy." The agency does this through planning, capacity building and infrastructure grants to eligible government entities and non-profits in distressed areas with a focus on job creation and leveraging private investment. EDA has been highly successful and will continue its work of investing in our Nation's infrastructure.

Question 4. The Government Accountability Office has listed the census as one of the thirteen (13) urgent issues requiring immediate attention by the Federal Government. If confirmed, what immediate steps will you take to ensure an accurate count in the 2010 census?

Answer. I have reviewed the recent GAO and IG reports on the risks associated with the 2010 Census. If I am confirmed, I will move as quickly as possible to facilitate the appointment of a Census Director, with whom I will work closely. Until that time, I will meet with the Census Bureau, and the designated investigative groups, to assess the current status of operations since these reports were filed. My understanding is that the Census Bureau developed a risk-improvement plan in response to the GAO designation that established appropriate accountability for schedules, production and operations. I understand further that this plan to mitigate risks was approved by OMB. I am also aware of an extensive review process currently in place that includes Congressional oversight, OMB, and other offices in the Department of Commerce that we will continue to utilize. I will work with the Census Bureau to ensure that these plans effectively address the concerns the GAO and IG have raised. I will submit to the Congress regular status reports on the key or critical operations necessary to conduct a successful 2010 Census.

Question 5. As you know, one of our top trade priorities with China is the protection of U.S. intellectual property rights. It has been brought to my attention that copyrighted U.S. medical and scientific journal articles have been made available from Chinese state-sponsored libraries for online resale by private Chinese companies. In December 2008, I wrote to Chinese Ambassador Zhou Wenzhong on state-sponsored copyright violations, particularly by the firm Kangjian Shixun Science and Technology, Ltd., that have significantly affected publishers in my state. However, no progress has been made to end these violations. As Commerce Secretary, how will you ensure that the theft of U.S. copyrighted materials in China is brought to an end?

Answer. I understand the importance to the U.S. economy of intellectual property. The theft of intellectual property from American companies is a serious matter. If confirmed, I will work diligently with you, other Members of the Congress, my Cabinet colleagues, and U.S. businesses to protect the rights of U.S. firms in China. The protection of intellectual property will continue to be a top trade priority with the Department of Commerce, and it would be my intention to actively engage our trading partners on IPR protection and enforcement.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK PRYOR TO HON. GARY F. LOCKE

Question 1. The Secretary of Commerce oversees a large and diverse department. Overall, what are your goals and priorities for the Department of Commerce in the next 6 months?

Answer. As I discussed at this morning's hearing, some key goals for the next 6 months will be to carry out the President's plan for economic recovery, prepare for a successful 2010 Census, and support a smooth transition to digital television by the revised June deadline. At the same time, the Department needs to continue and

strengthen its ongoing efforts to maximize innovation, long-term economic growth, and environmental stewardship.

Question 2. Arkansas is ranked 47th out of 50 states in broadband deployment and half of our schools use dial-up. Rural broadband deployment is one of my top priorities as a Senator and I would like to see a greater push for deployment. What are your views on the Broadband Technology Opportunities Program?

Answer. Senator, I believe that the Broadband Technology Opportunities Program provides a unique opportunity to expand broadband access to communities that desperately need it, including in your home state of Arkansas. The statute expressly identifies schools, libraries, community colleges and other institutions of higher education as intended beneficiaries of this program and I share Congress's concern in this regard. Furthermore, the Department of Commerce, through NTIA, will work closely with the Department of Agriculture's Rural Utility Service to ensure that the Broadband Technology Opportunities Program begins the process of providing broadband access to every American, especially those in our rural areas.

Question 3. I am Co-Chair of the Senate Democratic High Tech Task force and I share your belief that technology and innovation are the keys to our economic success. I've supported initiatives like science parks, innovation prizes, nanotechnology research, and the technology innovation program. I recognize you have a record in supporting similar initiatives. What are your plans for supporting innovation and entrepreneurship within the Department of Commerce?

Answer. As you are aware, the Department of Commerce has a very broad portfolio. One portion, of which, is focused on innovation. As such, if confirmed, innovation will be a focus of my tenure as Secretary of Commerce. From NIST, whose measurements, standards and technologies provide industry the tools they need to be more innovative and competitive; to NTIA where the broadband grants funded under ARRA will help bring broadband access to millions of Americans; to the USPTO which through its patents and trademarks help drive innovation in the U.S. economy—the Department of Commerce will continue to support innovation in the U.S.

Question 4. Congress took an important step toward promoting innovation with the passage of the America COMPETES Act. I believe the Nation can do more than just increasing funding for university research and boosting STEM education. What plans do you have for making the Commerce Department the center for innovation and entrepreneurship within the Federal Government?

Answer. The various components of the Department of Commerce are all dedicated to advancing the Nation's economic well being. If confirmed, I look forward to harnessing the strengths of the Department's bureaus to advance an innovation and entrepreneurship agenda, through utilizing a strategic and cross-cutting examination of the Department's efforts to promote and advance innovation and support of creating good, sustainable jobs for the 21st Century.

Question 5. Governor Locke, thousands of American companies and millions of American workers depend upon our anti-dumping and countervailing duty laws for protection against unfair practices by imports. As I'm sure you are aware, the very first item of President Obama's trade agenda is "to promote adherence to the rules-based international trading system." The anti-dumping and countervailing duty laws are an integral part of "the rules-based international trading system." As Secretary of Commerce, will you commit to making enforcement of our trade laws a top priority of the Department?

Answer. Yes, if confirmed, I will ensure the Department's commitment to strong enforcement of U.S. trade laws remains a top priority.

Question 6. As you know, the Mexican government announced that it will retaliate against the U.S. with import tariffs on certain U.S. goods as a result of the recent Omnibus Appropriations Act that the President recently signed into law. What role do you see the position of Secretary of Commerce as having in negotiating with the Mexican government on these hasty retaliation measures against the U.S.? Do you have an opinion on the Cross Border pilot program or the statement made by the Mexican government in its reaction to the provision included in the Omnibus Appropriations Act?

Answer. I am aware of these concerns. I understand that the President has tasked the Department of Transportation to work with the U.S. Trade Representative and the Department of State, along with leaders in Congress and Mexican officials, to propose legislation creating a new trucking project that will meet the legitimate concerns of Congress and our NAFTA commitments. If confirmed, I look forward to working with members of the Cabinet, leaders on the Hill, and Mexican officials to resolve these concerns.

Question 7. Inspections of seafood generally falls within NOAA's jurisdiction—and USDA. However, NOAA is only responsible for voluntary inspection of seafood under the Agricultural Marketing Act of 1946. We have learned that a significant number of Chinese and other Asian fish producers are apparently using antibiotics and other substances, such as malachite green or crystal violet, to enhance their production. Do you feel that NOAA's current inspection regime is adequately protecting American consumers from imports with these banned substances?

Answer. The Food and Drug Administration has overall responsibility for all seafood safety in the United States. It is my understanding that NOAA provides a program utilized by the industry. However, I would be happy to look into the details of this program and pledge to work with you on ways to help FDA better protect American consumers from imported seafood.

Question 8. Could you tell me what actions the Department of Commerce will take to ensure that harmful imported seafood products are not entering the U.S. market?

Answer. NOAA supports the FDA mandate on seafood safety both through the voluntary seafood inspection service, and through an ongoing research component that develops innovative methods to detect and screen for pathogens and chemical contaminants. An important component of NOAA's Seafood Inspection Service is the routine inspection of part of the domestic seafood supply contributed from imports. NOAA will continue to support FDA's mandates through these two programs.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL TO HON. GARY F. LOCKE

Question 1. As a Congressman, I saw how preparedness efforts for the digital television transition suffered under the previous Administration, which did not give this issue enough priority. Mismanagement at the Department of Commerce resulted in millions of consumers being placed on a waitlist for TV converter box coupons.

However, the recent stimulus package provided NTIA at the Department of Commerce $650 million to fund the converter box coupon program and assist vulnerable populations which are less likely to be prepared for the DTV transition. What will you do differently than the previous Administration to ensure that everyone is ready?

Answer. If confirmed, I will work to ensure that the National Telecommunications and Information Administration uses resources from the American Recovery and Reinvestment Act of 2009, signed into law by President Obama on February 17, 2009, to enhance the Coupon Program's and the Federal Communication Commission's consumer outreach to the 4.2 million households still unready for the analog shut-off with; particular emphasis to vulnerable populations—seniors, minorities, low income, persons with disabilities, and those living in rural areas. The Act permits the Coupon Program to transfer funds to the FCC for consumer outreach if the Secretary deems it necessary and appropriate. If confirmed, I will consult with the FCC to ensure that these funds are utilized in a manner that effectively maximizes consumer outreach efforts.

Question 2. Will there be direct outreach to affected TV viewers in areas such as Albuquerque and Santa Fe, where almost 12 percent of households are "completely unready" for digital TV?

Answer. Yes. The Coupon Program has identified 28 target Designated Market Areas that have high percentages of over-the-air households that have not prepared for the analog shut-off on June 12. Albuquerque/Santa Fe is number one on the list. In addition, the National Association of Area Agencies on Aging and its partners—an NTIA grantee—is working in Santa Fe to help consumers apply for the coupon and purchase and install the converter box.

Question 3. Today, most Americans take it for granted that they can get a telephone number or an e-mail address. But in my state, there are New Mexicans living in rural areas where there is no telephone or Internet available. Imagine not being able to call 911 in an emergency or not being able to run a business since customers cannot call you—let alone place an order via e-mail or a website. As the Commerce Department works to expand access to broadband, can you assure me that Americans living in areas unserved by telephone and Internet providers will not be left behind or neglected?

Answer. The Broadband Technology Opportunities Program of the American Recovery and Reinvestment Act of 2009 has many important goals. One of these is to ensure that improved access to broadband service to consumers living in "unserved" areas of the United States. Another purpose of the program is to provide improved access to broadband service to consumers residing in "underserved" areas. It is ap-

parent to me that adoption is more of a problem in urban areas, while availability is a more pressing concern in rural areas. On March 12, 2009, NTIA published Request for Information that, among other things, seeks public comment on how the agency can best meet the goals of the Act, which include providing access to broadband service to consumers residing in unserved areas. Public comment on these and other issues will be accepted through April 13, 2009. If confirmed, I will ensure that NTIA vigorously pursues all opportunities the BTOP affords to begin the work of making broadband service available in all areas of the United States.

Question 4. The Commerce Department houses a diverse collection of agencies and divisions. It does everything from supporting scientific research and the commercialization of new technologies to expanding American exports and promoting minority-owned businesses. How do you plan to harness these important Commerce Department initiatives into a coherent strategic vision to promote innovation and create jobs across the country?

Answer. I am committed to harnessing the talents of the Department to promote economic development and job creation. The diverse bureaus of the Department, all in their areas of expertise, support American businesses and entrepreneurs. If confirmed, I will actively engage the bureaus in the development of a strategic vision to carry out the economic agenda of the Obama Administration.

Question 5. The U.S. has had huge trade deficits for years. In today's economic climate, American companies face many hurdles to selling their products overseas. Unfair trade practices and complex technical regulations in foreign countries can also make exporting a real challenge, especially for small businesses. How will the Commerce Department help companies in New Mexico reach their full potential for exporting their products?

Answer. The Commerce Department, as the chair of the interagency Trade Promotion Coordinating Committee, has the lead role in ensuring that all U.S. export promotion programs and resources are deployed in a strategic and effective manner. If confirmed, I will work to ensure that the Department's export promotion programs, and those of the TPCC member agencies, maximize the competitiveness of U.S. businesses, including New Mexican exporters, in the global marketplace.

Question 6. New Mexico is a beautiful place with terrific tourist destinations like historic Santa Fe, the Taos Pueblo world heritage site, and natural wonders like White Sands National Monument. Yet international tourism is suffering due to current world economic conditions. How will the Office of Travel and Tourism Industries (OTTI) at Commerce promote tourism in this current economic climate? How can the Commerce Department help businesses such as those in New Mexico that rely on tourism?

Answer. I certainly recognize the importance of the U.S. travel and tourism industry to the U.S. economy in general, and New Mexico in particular, and the impact of the economic crisis on the industry. If confirmed, I will ensure that the Commerce Department undertakes a robust promotion program, developed in close consultation with key stakeholders including Members of Congress and the industry.

Question 7. As the former Governor of Washington State, you are familiar with many of the economic challenges facing our Nation's Indian tribes, especially those located far from urban centers. How will the Commerce Department under your leadership promote entrepreneurship and business opportunities on tribal lands?

Answer. EDA and MBDA support economic development capacity building for tribal organizations. EDA oversees annual planning grants to more than 50 American Indian and Alaska Native entities to support the development and maintenance of regional comprehensive economic development strategies which help these organizations to identify challenges and take advantage of opportunities to support entrepreneurship and economic development.

MBDA also plays a critical role. I understand that the Office of Native American Business Development (ONABD) has successfully collaborated with numerous stakeholders in pursuit of bolstering economic development and sustainability on Indian lands. MBDA's Native American Business Enterprise Centers work with Native American entrepreneurs who wish to grow their businesses in size, scale and capacity. These firms are then better positioned to create jobs, impact local economies and expand into national and global markets.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK WARNER TO HON. GARY F. LOCKE

Question 1. The BTOP program provides us with an enormous opportunity to connect all parts of the Nation to the modern Internet economy. To implement the program successfully, numerous issues have to be addressed, such as defining "unserved" and "underserved," determining what role state governments will play in the process, coordinating with other Federal agencies, determining how funding priorities should be set, and countless other questions that commenters are sure to raise. What will you do to ensure that NTIA adequately addresses these issues in the short time it has, and that it does so in a transparent manner?

Answer. NTIA has taken a number of steps to ensure it implements the BTOP program quickly and transparently. First, NTIA issued a Request for Information seeking public comment on a multitude of issues. Comments can be filed electronically or by mail. All comments received will be posted on an NTIA website for public review. To ensure that NTIA has the ability to act quickly, all comments are to be filed no later than April 13, 2009. In addition to seeking written public comment, NTIA, in coordination with the Department of Agriculture, is hosting 6 days of public roundtable meetings each dedicated to specific issues that must be addressed in implementing BTOP. Again, to make the program transparent, the roundtables are being webcast and questions for the panelists can be submitted by phone or e-mail. I am confident that NTIA will take the public input from the roundtable meetings and written comments and rapidly fashion all necessary rules and grant application guidelines to enable the Department rapidly to get stimulus funds in the hands of those who can use it to provide jobs and promote broadband deployment.

Question 2. How will you ensure that efforts by applicants to obtain funding from various stimulus funding programs outside of BTOP—with the Department of Energy for example—are coordinated?

Answer. NTIA is working closely with the Department of Agriculture to ensure that the RUS loan program and the BTOP program are fully coordinated, both to reduce the administrative burden on applicants and to ensure that the people's stimulus money is spent quickly and wisely to promote job creation and broadband deployment. President Obama has directed each agency to establish their own Recovery Act web page which will give applicants up-to-date account of the funds allocated to them by the ARRA. This includes the amount and type of grants authorized to each agency by the ARRA.

Question 2a. In Virginia, I chaired the Virginia Broadband Roundtable, which was charged with delivering a "blueprint" to assist Virginia communities with broadband planning and deployment. The Roundtable is about to publish a broadband availability map of Virginia, and has already created a "community tool-kit" to serve as a roadmap for communities seeking to obtain affordable last-mile broadband services through a community influenced model. Are there any plans to reach out to states that have such resources to compile best practices for others to follow?

Answer. As a former Governor, I recognize that the states are valuable laboratories from which the Federal Government can learn many key lessons regarding best practices for programs on the national level. Similarly, NTIA also recognizes the instructive value of the states and their roles as partners in the Broadband Technology Opportunities Program. In the American Recovery and Reinvestment Act, Congress wisely directed that NTIA consult with the states with respect to the best ways to identify areas to which broadband grant funds should be directed and the proper allocation of grant funds. Additionally, NTIA has already begun meeting with officials from the states and has been actively soliciting input with regard to models and methodologies. If confirmed, I will direct NTIA to continue to reach out to the states and to consult with them in our common goal of providing broadband to every American.

Question 3. What will you do to provide BTOP applicants with the resources they need to plan as NTIA resolves many of the fundamental underlying issues of BTOP?

Answer. One of the most important resources that NTIA is providing prospective BTOP applicants is a seat at the table as NTIA determines a final rule for BTOP applications. NTIA is holding public meetings until March 24 and accepting public comment until April 13 so that the American public, including prospective BTOP applicants, can provide input on how the process should be structured. If confirmed, I will move swiftly to ensure that NTIA provide the best resources possible to BTOP applicants.

Question 4. The BTOP program also includes a large pool of money for infrastructure mapping. Can you provide your thoughts on how these funds will be allocated,

and to whom (states, private vendors, etc.) and how the data collected/mapped will be integrated with the Form 477 data that is being collected by the FCC?

Answer. Along with numerous other issues, NTIA is seeking public comment on the best practices for broadband mapping until April 13 and NTIA will be holding a public meeting on March 23 that will focus on broadband mapping specifically. Furthermore, NTIA has already begun consulting with broadband mapping experts in the states to gain insight into best practices from those who have already engaged in the mapping process at the state level. NTIA is aware that there are certain advantages to collecting data in a format that will dovetail with the FCC's Form 477 data and will factor in such advantages into its consideration. Therefore, while the format of mapping data and precise allocation of mapping funds is yet to be determined, NTIA is working diligently to develop a complete mapping plan.

Question 5. The BTOP funding is segregated into several deployment categories, including connecting community centers. Can you speak to whether you view the expressed categories as guidelines for funding levels (meaning that there will not be separate applications for each category)? Or is it intended that each category be addressed/funding applied for separately?

Answer. I do not yet have a view on the necessity or advisability of separate applications. It is my understanding that at the public roundtables NTIA has conducted to date, several panelists and commenters expressed a preference that NTIA do whatever it can to minimize administrative burdens on grant applicants and suggested that there be a single application form for both the BTOP and the Department of Agriculture's RUS programs.

Question 6. Should private providers be allowed to apply directly for funding? How will NTIA determine whether the proposed services are the "best fit" for the community they serve—*i.e.,* providing affordable, sufficient band-width, with adequate coverage?

Answer. The Act gives States, territories, Indian tribes, native Hawaiian organizations and nonprofits the right to apply for grants under BTOP. Other entities can apply for grants if NTIA finds by rule that accepting grants from them is in the public interest. Public comment both in response to the Request for Information and from the roundtable meetings will inform NTIA as to the advisability of for-profit entity participation in BTOP. As to "best fit," NTIA's scrutiny of grant applications will allow it to determine if a proposed application is worthy of funding. In addition, NTIA is empowered by the Act to consult with a State or territory regarding the allocation of grant funds within the State for projects in or affecting the State.

Question 7. Given that a portion of the BTOP is directed toward serving "unserved" communities, what role will the promotion of broadband competition in local markets play in your decision-making, as competition is likely to spur the growth of a greater variety of more affordable solutions?

Answer. Congress has wisely mandated that NTIA consider such factors as whether a grant will increase the affordability of, and subscribership to, service to the greatest population of users in an area and provide the greatest broadband speed possible to such population. Fostering healthy competition is one important way to ensure that these goals are accomplished. If confirmed, I will direct that NTIA carefully consider the effect of grants in competition and improving the quality of broadband services nationwide and in our local communities.

Question 8. What role can the Department play with respect to the "insourcing" of jobs from other countries?

Answer. If confirmed, one of my priorities will be to examine how the various parts of this very diverse organization can contribute to high wage job growth by leveraging Departmental resources to spur innovation and support entrepreneurship. If we work in this way to improve the competitiveness of U.S. businesses and take care in monitoring compliance with our trade laws, the end result will be a strengthening of our international economic position, increased domestic job opportunities, and a rising standard of living for our citizens.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARK BEGICH TO HON. GARY F. LOCKE

Question 1. The Commerce Department plays a major role in funding the work of the Denali Commission which for over 10 years has coordinated the work of Federal agencies in rural Alaska to address such basic infrastructure needs as bulk fuel storage, solid waste, and teacher housing, as well as economic development and training and other programs. Looking ahead, the Denali Commission will also tackle rural needs for renewable energy and broadband communications. Do you support

continuation of the Denali Commission and its work to bring to rural Alaska the same level of basic services that most Americans take for granted?

Answer. The Department's Economic Development Administration (EDA) has developed a close working relationship with the Commission and we collaborate on areas of common interest and occasionally fund joint projects. EDA anticipates that it will continue to work closely with the Commission to support economic development activities in rural Alaska.

Question 2. Climate change is bringing dramatic change to Alaska's Arctic region—its people and communities. There already has been permafrost thawing, coastal erosion that undercuts communities, changes in fish migration patterns, and a dramatic reduction in Arctic sea ice. It has been predicted that the Northwest Passage could be ice-free in summer within the next decade. The Commerce Department plays a critical role plays understanding and addressing the impacts of Climate Change. Given the impacts of climate change already apparent in Alaska what should we be doing to ensure the long-term viability and survival of Alaska communities and Native peoples' culture, economy, and subsistence way of life?

Answer. Alaska is already showing signs of impacts from a changing climate on its natural and human environment. Alaska's communities and Native peoples' culture, economy, and subsistence way of life are vulnerable to such impacts. In order to ensure the long-term sustainability of these communities and cultures, authoritative, timely and accessible climate information and service must be made available at the state and local level. Communities must be supported in their efforts to adaptation to a changing climate. This includes tailoring climate research and science activities to support adaptation decision-making, as well leading efforts to assist communities in assessing their risks and vulnerabilities and developing strategies for action. Should I be confirmed, I look forward to working with NOAA to address these issues.

Question 3. What steps should be taken to address increased commercial activity in the Arctic such as oil and gas exploration, shipping and tourism?

Answer. Not only is NOAA charged with protecting, restoring and managing our coastal and ocean resources, it is also called upon to support the Nation's commerce with information for safe, efficient, and environmentally sound transportation. As commercial activity in the Arctic expands, NOAA has many services and a broad expertise to bring to bear including resource protection, climate monitoring, and oil spill response. Should I be confirmed, I will work with the leadership at NOAA to ensure all of NOAA's abilities are available as Federal agencies prepare for such an expansion.

Question 4. How can we get a more stable budget for NOAA's research in the Arctic and is it time we passed a NOAA Organic Act?

Answer. It is my understanding that NOAA has a number of research activities in the Arctic, the specific details of which I am not aware. Nor am I aware of the specific funding associated with those activities. That said, the Arctic region is at the forefront of realizing significant environmental change from the warming of the planet. Arctic research should be an ongoing, stable component of a larger climate change research program both at NOAA and across Federal agencies.

With regard to a NOAA Organic Act, while I can't speak to any specific Act, I do support the idea of codifying NOAA's current mission within the Department of Commerce and, if confirmed, look forward to working with you to that end.

Question 5. As the United States prepares for COP–15—the United Nations Climate Change Conference in Copenhagen in December, it is my understanding that NOAA has been advised that "feedbacks" from the Arctic region are growing—methane rising from the thawing permafrost; more heat being absorbed by the ocean which, lacking ice, reflects less solar radiation back into space. We're concerned not only of the impacts of climate change to the Arctic, but the increasing—and unforeseen—contribution of greenhouse gases and heat from the Arctic. Can we work to ensure that the growing Arctic feedbacks are assessed and information shared among nations as we negotiate a climate regime?

Answer. Should I be confirmed, climate change will be one of my highest priorities. My focus will include ensuring we work with our international partners to assess arctic feedback and share related information.

Question 6. Here at home, support for the co-management activities your Department provides with the Department of the Interior are often the first cut when budget problems arise. All parties involved say they are navigating without appropriate information. Efforts to jointly manage other marine mammals in this region—such as whales and walrus—also suffer from neglect. We need NOAA's commitment to undersea mapping of the Alaska coast. As Secretary, will you work to ensure that we have a much stronger, enduring bilateral relationship with Russia—not only

with your fish and marine mammal portfolio but also with international Commerce portfolio?

Answer. I understand the Administration is reviewing the full range of our bilateral relationships including that with Russia, and aspects of our commercial relations would be part of the review. If confirmed, I look forward to hearing your ideas and working with you on ways to expand our commercial relationship.

Question 7. Can you confirm for the Committee that you will actively support the opportunities in fisheries, marine mammal conservation, transportation, telecommunications, and tourism?

Answer. I do commit to actively supporting opportunities in fisheries, marine mammal conservation, transportation, telecommunications, and tourism. I think this is an area where we might usefully leverage the diverse functions of the Department in order to achieve improved results.

Question 8. Likewise, can you guarantee for us that you will be in regular consultation with your counterpart in Russia on a number of matters in this part of the world and to reinstate the International Trade Coordinator the Foreign Commercial Service once had in Anchorage.

Answer. Exports are an essential element of economic growth. If confirmed, I look forward to working with you to develop and effectice export promotion strategy and will assign a high priority to review your request regarding U.S. Foreign and Commercial Service staffing in Alaska.

Question 9. Alaska's economy—and that of the Nation—depends largely on international trade (AK exports totaled: $3.6 billion in 2007 of which 50 percent was seafood and 30 percent minerals; major partners: Japan, China, Korea, Canada; air cargo alone plays a big role in the Alaska economy). The current global credit crisis and recession are hitting international trade hard. What steps do you think are necessary to rebuild and reinvigorate international trade?

Answer. The most important thing is full and effective implementation of stimulus programs here in the United States and in foreign markets to unfreeze credit and stimulate demand. The legislation enacted by Congress and signed by the President is a step forward to that end, and if confirmed, I look forward to working with you on additional ideas to reinvigorate international trade.

Question 10. Past administrations have considered eliminating the EDA program, yet in Alaska EDA grants are important to creating new jobs and economic opportunities, especially in rural Alaska. Do you support continuation of the EDA program and, if so, what role do you see it playing?

Answer. The Department of Commerce's Economic Development Administration (EDA) is tasked with leading "the Federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy." This mission is critical in both robust economic times and in times of economic decline. For that reason, the President has included EDA in its FY10 budget overview and provides $50 million in regional planning and matching grants to support the creation of regional innovation clusters that leverage regions' existing competitive strengths to boost job creation and economic growth. The budget overview also launches a $50 million initiative in EDA that will create a nationwide network of public-private business incubators to encourage entrepreneurial activity in economically distressed areas.

In addition, EDA is working closely with the Department to distribute the $150 million in funding EDA received through the American Recovery and Reinvestment Act with priority for areas experiencing severe job losses due to corporate restructuring.

Question 11. Alaska's marine fisheries are managed by the North Pacific Fishery Management Council and generally considered one of the most well-managed fisheries in the world, producing some 62 percent of the Nation's seafood landings and with no stocks considered overfished. What, if any, changes to the Regional Fishery Management Council process do you propose that may affect Alaska?

Answer. I commend the Alaska Regional Fishery Management Council for managing such large and productive ecosystem. Should I be confirmed, I will encourage them to continue to ensure that stocks are not overfished and that all fishery management plans are consistent with the Magnuson-Stevens Act.

Question 12. Alaska already has the largest closed areas in the world, some 900,000 square miles including the recent closure of the Arctic to fishing. Yet some have proposed more restricted Marine Protected Areas, "no take zones," to further restrict fishing in certain areas. Do you support the Administration taking additional actions, including use of the Antiquities Act, to restrict close fishing areas

above and beyond the closures already adopted that the regional council process? If so, what say would Alaska have in the decisionmaking process?

Answer. I support including a public process when possible. I believe the National Marine Sanctuaries Act has a superior process for designating marine protected areas, which includes opportunities for input from the states and the public-at-large.

Question 13. The State of Alaska has banned finfish farming from its waters to check the spread of invasive species and disease that could threaten its abundant wild stocks. Do you support the initiative to permit offshore aquaculture in Federal waters including Alaska?

Answer. I am not familiar with the basis of NOAA's decisions on homeporting of its vessels. I know that conducting fleet operations in Alaska is important to NOAA and the State. Should I be confirmed, I look forward to learning about homeporting decisions and working with you and the rest of the Alaska delegation to address any concerns you have.

Question 14. The Commerce Department conducts significant marine research in Alaska yet most of the vessels doing this research are home-ported outside of the state, in Oregon, Washington or California. Will you work with the Alaska delegation so more research vessels conducting Alaska research are based in Alaska?

Answer. I am not familiar with the basis of NOAA's decisions on homeporting of its vessels. I know that conducting fleet operations in Alaska is important to NOAA and the State. Should I be confirmed, I look forward to learning about homeporting decisions and working with you and the rest of the Alaska delegation to address any concerns you have.

Question 15. Will you support funding for replacement of the now-condemned NOAA dock facility in Ketchikan?

Answer. I am not familiar with the dock facility in Ketchikan, but look forward to familiarizing myself with the issue, should I be confirmed, so I can comment on the funding.

Question 16. NOAA listing of species such as Cook Inlet beluga whales restricts Federal funding of activities that may affect the species which in turn can effect fishing, oil and gas development, expansion of the Port of Anchorage, a vital lifeline for most Alaskans and the U.S. military presence there, and wastewater treatment facility, even though it's not demonstrated that these activities have any effect on the species. As Secretary, how will you deal with application of the Endangered Species Act?

Answer. The Endangered Species Act is a valuable tool to protect our most vulnerable species from extinction. The protections it affords species such as the Cook Inlet beluga whale are important to its survival. Activities that may jeopardize a threatened or endangered species' existence are often important to a state's economy. Should I be confirmed as Commerce Secretary, I will ensure that all activities are balanced with species conservation as prescribed by the Endangered Species Act.

Question 16a. Will you assure Alaskans that all such decisions will be based on the best available science?

Answer. The Magnuson-Stevens Act requires that all decisions are based on the best scientific data, not just for Alaska, but for the Nation. It is imperative to a healthy ecosystem to ensure that decisions made on fishery management plans are based on the best available science.

Question 17. Last year the Government Accountability Office (GAO) added the 2010 Census to their "High Risk" list, questioning the readiness of the Census Bureau to carry out the 2010 Census. Specifically the GAO cited problems with information technology, operational management, and the overall cost (est. $14 billion) of carrying out the 2010 Census. Alaska has its own unique concerns with getting an accurate count with a highly transient population that extends to extremely rural areas and yet the count is extremely important for formula funding and other applications. As Commerce Secretary what will you do to make sure that the 2010 Census is successful and avoids cost overruns?

Answer. If confirmed, I will continue processes already in place that help senior management at the Commerce Department know exactly where the Census program is on its planning and implementation. This includes regular briefings on the status of the budget, schedule, risks, and issues that are currently provided to the Department of Commerce and the Office of Management and Budget. I understand that the Census Bureau has in place a risk management plan that includes risk mitigation plans (to avoid issues) and risk contingency measures. The Census Bureau has included contingency funds in its budget requests to address unforeseen events (such as the potential impact of the current economy on completing the census). I

intend to monitor the management of the 2010 Census closely to ensure that that strict cost control measures are in place, and I will report to the Congress regularly so that we can work together to address any emerging issues quickly and transparently.

Question 18. Will you work with the Alaska Native Tribes and regional Native Corporations to ensure an accurate count in Alaska?

Answer. Yes. I will work closely with both the Census Bureau and its AIAN stakeholders throughout the decennial process to ensure an accurate count.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. HARRY REID TO HON. GARY F. LOCKE

Question 1. Government policy-makers and businesses require accurate information about the nature and quality of U.S. trade with specific nations and regions to make informed decisions about where to commit their resources and take advantage of foreign market opportunities. These decision-makers also require accurate information on the nature of foreign direct investment in the United States in order to prioritize their economic development activities and international operations.

While the Federal Government has developed the means to track Federal and state merchandise exports, significant gaps remain. Little progress has been made in collecting state-level import data. More importantly, almost no data exists that tracks America's services exports or imports at the state level. This is problematic, given that services are an increasing portion of the U.S. economy.

Further, on February 23, 2009, the Bureau of Economic Analysis issued a final rule in which it stated that the Bureau would no longer collect important state-level data measuring the number of manufacturing employees, gross property, plant, and equipment, and commercial property as part of its annual survey of foreign direct investment in the United States. This is problematic given that the states have primary governmental responsibility for attracting foreign investment into the United States, and rely on this information when developing their economic development plans.

Additionally, on June 4, 2008, the Bureau of Economic Analysis announced that it would terminate the survey of new foreign direct investment in the United States, which provides insight into whether FDI is an acquisition of existing U.S. assets or is a "greenfield" investment. This data may be important to policymakers, however, as there may be different policy implications between these types of foreign direct investment.

Finally, in recent years there has been extensive attention paid to the role of investments by sovereign wealth funds. There has been interest in ensuring the transparency of the activities of sovereign wealth funds. One way to add to the transparency of sovereign wealth funds is to ensure data collection by the U.S. Government on the foreign direct investment into the United States by sovereign wealth funds, while of course respecting business confidential information.

Governor Locke, are you willing to ensure that sufficient resources are provided to ensure that state-level investment data continues to be collected by the BEA?

Answer. The Administration understands the importance of this detailed data on foreign direct investment and we will work with BEA to restore, update, and correct statistical problems with these series. In the current Fiscal Year, BEA is developing a more comprehensive survey that addresses gaps in coverage of certain types of foreign investments and restores detailed data eliminated from the BEA surveys (as well as data on "greenfield" investments). After the release of the President's FY 2010 budget, we will provide additional information on future improvement to foreign direct investment data collection.

Question 2. Do you have a plan to develop more accurate state-level services export data, and more accurate state-level import data for both goods and services?

Answer. BEA delivered a report to the Congress in 2008 on the feasibility of producing state-level data on exports and imports of services and is working with the Department's International Trade Administration on developing prototype estimates. After that work is complete, we will have a better estimate of what would be required to produce accurate and complete state-level estimates. The International Trade Administration also has a program with the Census Bureau to produce state-level exports of goods. What might be required for Census and BEA to produce on-going state-level data on imports and exports of goods and services can be examined after the BEA–ITA work on prototype estimates is complete.

Question 3. Will you ensure that the BEA does not terminate its survey of new foreign direct investment in the United States, so that policymakers and the public

will continue to have data that distinguishes between foreign direct investment in the United States that is an acquisition and foreign direct investment that is so-called "greenfield" investment?

Answer. We are working to restore the complete set of foreign direct investment data, including the Greenfield data.

Question 4. Would it be possible for the BEA to gather and publish data on foreign direct investment in the United States by sovereign wealth funds while respecting business confidential information? If so, do you believe it would be worthwhile to gather such data?

Answer. Most sovereign wealth funds' investments are portfolio rather than direct investments (their ownership share of companies is normally less than 10 percent). Data on portfolio investments in BEA Balance of Payments Accounts data are collected by the Treasury Department, and would require inter-departmental collaboration with Treasury to develop integrated FDI and portfolio statistics on sovereign wealth funds.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. OLYMPIA J. SNOWE TO HON. GARY LOCKE

Question 1. Given the devastating effects of the current economic crisis, I believe that the Department of Commerce must first and foremost focus on the preservation and creation of American jobs. The U.S. economy has lost 3.6 million jobs since the onset of the recession—the most since 1945. The Department of Labor has reported the number of people receiving unemployment benefits has reached 4.8 million, the highest since record-keeping began in 1967—and this number does not include the nearly 1.7 million receiving benefits through an extension last summer.

With its statutory mission "to foster, promote, and develop the foreign and domestic commerce", the Department of Commerce has a mandate to defend and grow the American economy through job preservation and creation. Yet the diverse and disparate agencies that comprise the department have little or no occasion to coordinate their efforts toward maximizing the job maintaining and creating potential of the department. While divisions such as the Economic Development Agency and the Minority Business Development Agency each have their own programs to increase employment in their respective target communities, there is the potential for even greater job creation through the coordination of their efforts with the core functions of other department components, such as the export-promoting activities of the International Trade Administration, the economic analysis of the Economics and Statistics Administration, and the stewardship of technological innovation by the National Telecommunications and Information Administration.

That is why *I will introduce legislation to establish a Job Creation Coordinator at the department*. Answering directly to the Secretary of Commerce, the Coordinator would not only ensure that each agency is carrying out its primary mission in a way that maximizes U.S. employment, but would also identify and implement opportunities to link separate programs being carried out by the agencies in a way that ensures that department resources are being spent in a manner which guarantees the utmost job creation per dollar appropriated.

Governor Locke, as Commerce Secretary, would you prioritize American job preservation and creation, and work with this Committee to ensure that the disparate agencies of the department coordinate their efforts as necessary to maximize their job creating potential?

Answer. I can assure the Committee that, if confirmed, I fully commit to leveraging the inherent strengths of the various bureaus of the Department of Commerce so to maximize job creation and retention throughout the American economy. Each of the bureaus of the Department provides depth to specific elements of the American economy, be it pure scientific research, protection of natural resources, the support and promotion of business or direct job promotion. I believe the Department is particularly well situated to assist President Obama's goal of job creation and retention and of the strengthening of the American economy.

I understand that the Department has embraced an integrated approach to the administration of funds received through the American Recovery and Reinvestment Act (ARRA). The Department has implemented the effort, as I understand it, corporately to ensure the Department is implementing its responsibilities well.

If confirmed, I look forward to working closely with this Committee on this important management challenge, and hope that our collective efforts at Commerce may serve as a model for the rest of government.

Question 2. I understand policies and priorities, one need look no further than the budget, and in the Commerce Department, more than half of your budget will fund

the National Oceanic and Atmospheric Administration. While it was a positive step to see an increase in the previous administration's budget request for FY 2009 putting NOAA's overall request above $4 billion for the first time, this increase was not adequately represented across all of NOAA's functions. In fact, absent an increase in funding for satellite programs, the 2009 request was a flatline, and the National Ocean Service and National Marine Fisheries Service actually experienced a decrease of nearly $50 million each. It is in the process of allocating scarce funding resources that we truly reveal what programs we want to carry out and in what manner, and how we rank the importance of various programs.

What is your opinion of the adequacy of NOAA funding under the 8 years of the Bush Administration?

While the top line has increased to around $4 billion, we have seen more and more of that go toward satellite programs. This is understandable, but it is also troubling to see other NOAA programs get funding cuts. What is your plan for making sure that these other non-satellite programs—whether in fisheries, endangered species research, ocean science, marine mammals, and so on—receive the appropriate level of funding?

How are you preparing to work with the Office of Management and Budget and other agencies to develop an effective budget that avoids interagency redundancy and leaves no gaps for NOAA missions that are inherently tied to the work of other agencies?

Answer. On March 11, President Obama signed the FY 2009 Omnibus Appropriations Act which dramatically increased NOAA funding from prior years. Coupled with the additional funding provided NOAA in the American Recovery and Reinvestment Act, NOAA's Fiscal Year 2009 funding is unprecedented and will enable NOAA to address many of its pressing infrastructure needs and program challenges. If confirmed, I will work with OMB and the Congress to see that this progress can be built on for the future. While it is true that the cost growth in NOAA's satellite programs has been a challenge, I assure the Committee that the management of these critical procurements will be one of my top priorities. I will work with the Congress to find ways to accommodate these vital but challenging satellite programs within NOAA's other priorities. I will also work to ensure that going forward NOAA's budget process is robust, forward-looking, and adequately accounts for the Nation's needs for oceanic and atmospheric information and services as well as the activities of other agencies.

Question 3. As Governor of Washington, you received two fisheries disaster declarations in your state, for Pacific salmon and Pacific groundfish. As you and I discussed last week, our New England groundfishery has seen major declines in revenue in recent years—landings value has dropped 32 percent in New England since 2002, by a total of more than $41 million. In the state of Maine, the landings decline has been 55 percent. And the industry is currently facing regulations designed to rebuild fish stocks that would cut fishing effort further for 2009—to just 20 days on average.

Since 2007, the Governors of Maine, Massachusetts and Rhode Island have sought a Federal disaster declaration which would allow access to funding to ease the burden on our groundfishing industry. To date, these requests have been unsuccessful, despite several letters of support to Secretary Gutierrez from the New England Congressional delegation and a Senate Resolution (S. Res. 376 from the 110th Congress) that unanimously supported this fisheries disaster declaration. Without such a declaration and the access to funding it would allow, we could literally see the end of an industry that predates even the Pilgrims' arrival in North America.

As Secretary of Commerce, how would you handle fisheries disaster requests? What criteria, and what timeframe, will you use to determine whether a fishery has experienced a "disaster"?

Answer. From my experience as Governor of Washington, I understand that a lack of clear guidance and criteria can be frustrating for those seeking a disaster determination. Should I be confirmed as Secretary of Commerce, an important first step of mine will be to clarify criteria and timeframes for the disaster request and determination process.

Question 4. When Congress reauthorized the Magnuson-Stevens Act in 2006, we included language allowing the Secretary to declare a disaster as a result of regulatory restrictions. In the last days of the Bush Administration, NOAA issued proposed regulations stating that despite Congress' directive, the Secretary would not declare a disaster in all cases where regulations are effectively shutting down fishing for most fishermen—even under a NOAA-approved management plan intended to achieve rebuilding targets. Do you agree with this edict from the last Administration? If so, how does such a mandate carry out Congressional intent?

Answer. The issue of fisheries disaster determinations is something I plan to look at closely should I be confirmed as Secretary of Commerce. We certainly need to follow the law and I will commit to carefully reviewing the regulations proposed in January and ensuring that any final regulations are fully consistent with the Act and Congressional intent.

Question 5. I have served as the Republican leader of the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard for more than 12 years, and during my tenure I have seen the relationship between the National Marine Fisheries Service and our fishing industries erode to what we have now—a polarized culture in which mistrust is mutual and pervasive. Frankly, as a life-long Mainer, I have never seen such tension between the fisheries regulators and our fishermen. On February 26, 2009, the Commerce Inspector General issued a report that underlined this history of, as he put it, "poor communication and mistrust" in the Northeast Region. As long as this contentious relationship continues, it will undermine any attempts to move forward with credibility and cooperation. What bold steps can we take to cast off the ghosts of the last administration and instill a new willingness from all parties to work together?

Answer. I am troubled by the mistrust that has built between NOAA's National Marine Fisheries Service and the fishing community and I think a change in administration can be the impetus for improving these relationships. It is incumbent on the Agency to reach out to the fishing community and communicate its science and policies clearly. I intend to commit more staff and resources to meet the communication needs of the fishing community. I also plan to work with the NOAA Administrator to strengthen cooperative research so fishermen are more engaged in the scientific process. These actions are critical for productive dialog and to end the mistrust that exists today.

Question 6. Are you willing to commit to closely examining the culture and attitudes pervasive in the National Marine Fisheries Service's Northeast Regional Office, and report back on the changes you make to improve the way it interacts with fishermen?

Answer. Yes, I am fully committed to improving the relationship between NOAA and fishermen all over the country, and most particularly in New England. I will work closely with the NOAA Administrator to improve the trust between the agency and fishermen, and will report back to you often on the changes we are making.

Question 7. Can you commit to putting a greater emphasis on socio-economic funding, research, and assessment, so that you have a greater understanding of the communities NOAA must regulate?

Answer. Socio-economic research is critical to understanding the impacts of fishing regulations and I will commit to putting greater emphasis on understanding the perspectives of fishermen and fishing communities in this process of management. If confirmed, I look forward to working with you on this effort. We must work together to help solve these difficult problems. We must find a way to achieve long-term sustainability for our fisheries in New England without compromising this important way of life for fishing communities.

Question 8. While Governor of Washington State you were instrumental in developing regional salmon recovery efforts for wild Pacific salmon, negotiating with Canada over joint management of trans-boundary salmon stocks, and working with the Washington Congressional delegation to secure Federal funds for restoration of ESA-listed stocks of Pacific salmon. During your tenure, you coined the phrase "extinction is not an option" in reference to ESA-listed Chinook salmon in Puget Sound.

According to the National Marine Fisheries Service (Status Review for Anadromous Atlantic Salmon (Salmo salar) in the United States—July 2006) both the Long Island Sound Distinct Population Segment (DPS) of Atlantic Salmon (Salmo salar) and the Central New England DPS have been extinct since the mid-1800s. The few fish that currently return to these river systems are the product of restoration projects using donor-fish from the Penobscot River in Maine. On November 17, 2000, the National Marine Fisheries Service and the U.S. Fish and Wildlife Service listed the Gulf of Maine Distinct Population Segment of Atlantic salmon (Salmo salar) as endangered under the Endangered Species Act, and the listing of Atlantic salmon in the Penobscot, Kennebec, and Androscoggin River appears imminent. If confirmed, would you champion preservation of Atlantic salmon the way you did in Washington State?

Answer. I believe that recovering threatened and endangered fish populations is absolutely essential and I hope my experience with Pacific salmon will provide a useful perspective to examine this issue.

Question 9. The joint recovery effort shared by the National Marine Fisheries Service and the U.S. Fish and Wildlife Service appears to create an ineffective and

inefficient program for overseeing the recovery of Atlantic salmon. What steps can you take to restore the integrity of the Federal role in recovery? Would you be willing to exert a lead role for NMFS if it appears that the joint interagency effort is dysfunctional?

Answer.I am not yet familiar with the specific issues regarding recovery of Atlantic salmon in Maine, and the interagency jurisdictional issues involved. But, if confirmed, I will certainly work to improve efficiencies and ensure a strong working relationship between NOAA and U.S. Fish and Wildlife Service.

Question 10. In a June 4, 2004 letter to Admiral James D. Watkins, Chair of the United States Commission on Ocean Policy, you state "I also support the use of Marine Protected Areas." But you also note the need for retaining control under NOAA, ensuring flexibility, and ensuring local support. President Bush disregarded these principles when he used the Antiquities Act to declare large Marine Protected Areas in Hawaii (Papahanaumokuakea National Monument) and other remote areas of the Western Pacific Ocean. If confirmed as Secretary, under what circumstances, if any, would you recommend the use of the Antiquities Act in designating marine protected areas?

Answer. I support an open and transparent process in MPA designations, such as in the National Marine Sanctuaries Act.

Question 11. As you are aware, trade enforcement authority is currently divided between the Department of Commerce's International Trade Administration, and the Office of the U.S. Trade Representative. While the ITA is the lead agency in implementing U.S. laws prohibiting trade subsidies and dumping by foreign countries, it has only an advisory role with respect to countering foreign violations of trade agreement obligations, over which USTR has primary enforcement authority. The problem with this arrangement—besides inefficiently sustaining two separate bureaucracies tasked with monitoring foreign compliance with trade agreements—is that USTR has an inherent institutional conflict of interest in seeking to negotiate trade liberalization agreements on the one hand, while defending import-sensitive U.S. industries against those same trade partners on the other.

This conflict of interest has manifested repeatedly in USTR's outrageous resistance to public calls for trade enforcement in recent years. It is a shocking fact that all five of the public petitions for trade enforcement action—each concerning currency manipulation or labor exploitation by China—filed during the previous Administration was denied by the office of the U.S. Trade Representative—in some cases on the same day they were filed!

I see two ways of rectifying this unacceptable situation: either provide for independent review of USTR's decision NOT to take enforcement action, or move trade enforcement authority to an agency better equipped to handle it. I am delighted to have the support of my friend, the esteemed Chairman of this Committee in advancing the first of these options with the Snowe-Rockefeller "Trade CLAIM Act", which would allow for independent, judicial review of decisions by USTR NOT to take enforcement action under Section 301 of the 1974 Trade Act—the statute setting forth the process by which the U.S. businesses, workers and citizens can request trade enforcement action. Under that bill, workers, business and other members of the public who have had a petition for trade enforcement denied by USTR would be able to appeal that denial to the U.S. Court of International Trade, which would have the authority to force USTR to take enforcement action.

The second option—which I will be proposing in forthcoming legislation—is to completely overhaul the inter-agency trade enforcement process by moving primary trade enforcement authority from USTR—whose staff spend three-quarters of their time negotiating new free-trade agreements and has failed to accept a public petition for enforcement action for 12 years—to the ITA, which is tasked with looking out for American businesses. Indeed, it was similar concern with the Treasury Department's unwillingness to make use of U.S. anti-dumping laws as requested by American businesses that caused Congress to move anti-dumping authorities to Commerce from the Treasury Department in 1979.

Governor Locke, what do you think should be done to end the effective "shutting out" of American workers, businesses and citizens seeking more aggressive trade enforcement action from the government? Do you feel that agencies other than USTR should play a more proactive role in the enforcement of U.S. trade rights?

Answer. Enforcement will clearly be a top priority for this Administration and for me personally. Protecting workers and U.S. businesses from unfair trade practices and opening markets abroad is a core mission of the Commerce Department and will remain so. I look forward to working with you and other Members of Congress, the Cabinet and especially USTR-designate Kirk to develop an effective enforcement strategy and to execute it.

Question 12. As you know, the U.S.-Canada Softwood Lumber Agreement (SLA) is of very great importance to the people of the State of Maine and to lumber companies and their workers across the country. The central problem that gave rise to this Agreement was Canadian subsidies and consequent dumping. The Import Administration of the Commerce Department has the expertise to monitor and analyze Canadian subsidies as no other agency does.

Without this monitoring and consequent enforcement, the benefits of this Agreement will not be delivered. Maintaining strong trade remedies and their vigorous enforcement is essential to provide an incentive for Canada to adhere to this agreement, knowing that if it left the Agreement, there will be unilateral measures taken at the border to offset its unfair trade practices.

Governor Locke, may I have your assurance that you will make enforcement of the SLA and U.S. trade remedy laws a top priority of your department, providing the resources, but even more important, the leadership, to assure compliance with the Agreement?

Answer. I can assure you in full confidence that enforcement of the SLA and U.S. trade remedy laws will be a top priority of the Commerce Department under my leadership. If confirmed, I will be fully committed to ensuring that Canada comes into full compliance with the SLA.

Question 13. Yesterday, Senators Shaheen, Schumer, Collins, Gillibrand, and I sent a letter to Sandra Walters, the Acting Assistant Secretary of Commerce for Economic Development at the Department of Commerce, requesting that the Department transfer the $50 million of funding available in the Recovery Package to regional economic development commissions. In the 2007 Farm Bill I worked to authorize a Northern Border Commission to address the devastating regional economic issues that are located in the northern tier of Maine, New Hampshire, Vermont, and New York. I believe that working together the four states, with the assistance of the Federal Government, can address the regional challenges stemming from geographic isolation, and population loss. The region's pulp and paper industry is particularly affected by the recent downturn.

Governor Locke, do you believe in the model of regional economic development commissions? Can I be assured that you will expeditiously work with Assistant Secretary Walters and provide resources to the regional economic commissions that is provided in the recovery package?

Answer. The Economic Development Administration (EDA) has a long and successful history of working closely with regional commissions such as the Appalachian Regional Commission (ARC), Denali, and the Delta Regional Authority (DRA) and, as I understand it, has encouraged a regional approach as a funding priority to all of its project applicants. If confirmed, I look forward to working with the commissions in connection with our important American Recovery and Reinvestment Act work.

In addition, the President's Fiscal Year 2010 budget provides $50 million in regional planning and matching grants within EDA to support the creation of regional innovation clusters that leverage regions' existing competitive strengths to boost job creation and economic growth.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. SAM BROWNBACK TO HON. GARY F. LOCKE

Question 1. There has been legislation proposed in Congress over the past few years to change the patent laws, and it has become very contentious. The proponents are a group of high-tech and financial services companies, and on the other side there is a larger group of companies from a variety of industries—manufacturing, green tech, nanotech, biotech, pharmaceuticals, and venture capitals. My question to you is this: I know you come from a state with a number of large high-tech companies. Do you agree that we should not be changing our patent laws in a way that chooses one group of companies over another? If you are confirmed, do you feel you can consider this issue impartially and help guide the debate to a place where we're not choosing high-tech over manufacturing, for example?

Answer. If confirmed, I would work with Congress on patent reform legislation that would enhance innovation by fairly balancing the interests of innovators across all industries and technologies. I agree that patent law reform should not favor one industry or any particular area of technology over another.

Question 2. Many high-tech companies that oppose S. 515, the Patent Reform Act of 2009, rely on their ability to protect their patented innovations by receiving damage awards from proven patent infringers. The proposed legislation changes the way damages are calculated, making infringement far less costly. In your role overseeing

the USPTO, would this concern you? Are you concerned that this well-meaning patent legislation will actually hamper U.S. innovation?

Answer. Innovation is critical to creating jobs and bringing us out of the current economic downturn. Any statutory proposal must be weighed in terms of its effect on job creation and promotion of innovation. If confirmed, I will review all patent reform proposals from that perspective.

Question 3. The high-tech sector is divided between those who primarily invent and those who primarily package and market others' inventions. It is understandable that, just as any business wants to cut its costs, some high-tech companies who pay for others' patents would want to reduce the costs for the patents they purchase or license from other high-tech companies. The damages provisions of the Leahy patent bill, S. 515, would have the effect of devaluing patents. Are you concerned that degrading patent holders' rights might be a tempting short-term response that could have serious long-term consequences for our economy?

Answer. If confirmed, I would not support any statutory reform that devalues patent holder's rights.

Question 4. In your questionnaire you indicate that you hold stock in Microsoft, a member of the Coalition for Patent Fairness, a group that has been lobbying in favor of the Leahy patent bill. Given your personal interest in this company, how can you guarantee that you will approach the patent reform debate objectively?

Answer. If confirmed, I am confident that I can and will continue to exercise my best objective judgment in all policy matters and I commit to consult with Ethics officials to ensure that my involvement in this area is entirely consistent with Ethics rules.

Question 5. If you are confirmed, you will inherit a serious problem at the Patent and Trademark Office that was created by what's known as "fee diversion." It occurs when the Administration or Congress redirects the patent and trademark application fees paid by inventors, research universities and innovation companies to other spending. Currently the backlog of patent applications is nearly 800,000 applications and it takes at least 31 months to issue the patent. For the economy that means that start-up companies are waiting over 2 years to take their products to market. It means that new jobs and new inventions are trapped in that backlog when they could be helping our economy recover.

In the 110th Congress, I supported an amendment in the Judiciary Committee that would permanently end fee diversion by creating a separate account that would receive all the patent and trademark applicant fees and allow only the PTO to have access to those user fees—essentially a lockbox for patent and trademark user fees. Since PTO is not funded with taxpayer dollars but with user fees, do you support the permanent ending of fee diversion?

Answer. The USPTO's mission is critical to American innovation and invention. If confirmed, I will maintain the threshold principal that all user fees paid for services should remain with the USPTO as it has for the last 4 years. If confirmed, I will work to continue that the user fees stay with the Office to be spent on managing and improving USPTO operations.

Question 6. I recently joined Senators Coburn, Feingold, Kyl, Wyden, Grassley, and Bond in sending a letter to Judiciary Committee Chairman Leahy asking that the Committee not rush patent reform legislation and work with those voicing concerns about the bill. The Judiciary Committee held a hearing on patent reform on March 10, 2009, and the bill will appear on the Committee's markup agenda on March 19, 2009. I am very concerned that this bill is intentionally being rushed when there is no Commerce Secretary nor is there an Under Secretary of Commerce for Intellectual Property (PTO Director). Do you agree that this sweeping legislation that will greatly impact the economy should not be considered until the Administration has its Commerce Secretary and PTO Director confirmed?

Answer. The Administration will be better able to participate fully in this critical legislative process when political leadership is nominated, confirmed and in place at USPTO. If confirmed, I will be actively involved in representing the Administration's views with stakeholders and Members of Congress on this landmark legislation.

Question 7. As Secretary of Commerce you will have a huge responsibility to ensure the effective implementation of the $4.7 billion broadband grant program that will be overseen by NTIA. As this money moves to fund specific projects it will be essential that it not be used to artificially impact or bias business decisions that should be made in the free market. I am particularly concerned that NTIA not impose any supra-market conditions on grant applicants that would bind them to a 'network neutrality' regime. Doing so would impair the ability of grantees to manage their own networks to ensure high quality services, putting them at a technical dis-

advantage, and would weaken the long-term viability of the projects that taxpayers are funding.

NTIA's responsibility is to effectively implement a massive taxpayer-financed grant program to extend broadband access in the U.S. This program should not be used to preempt the appropriate authority of Congress by introducing a significant new regulatory burden within the marketplace that would also impair the effectiveness of this program. Can you assure this Committee that NTIA will not seek to implement binding network neutrality rules as a condition for receiving broadband deployment grants?

Answer. It is my understanding that the American Recovery and Reinvestment Act of 2009 instructs NTIA to issue non-discrimination and network interconnection obligations that will be contractual conditions of broadband grants it issues pursuant to the Act. Those obligations, at a minimum, must adhere to the principles contained in the Federal Communications Commission's 2005 broadband policy statement. On March 12, 2009, NTIA published a Request for Information that, among other things, seeks public comment on the nature and extent of non-discrimination and network interconnection it should impose on grant recipients. I am confident that through the public comment process NTIA will gain the information necessary to write non-discrimination and network interconnection conditions that fully protect the public.

Question 8. Network neutrality requirements would regulate the manner in which companies manage their broadband networks. Do you think that there is a problem today in how broadband operators manage their networks that warrants the imposition of industry-wide net neutrality regulations? What impact do you think such regulations would have on broadband deployment and the upgrading of broadband networks, especially in the current economic environment?

Answer. As noted in my response to your previous question, the American Recovery and Reinvestment Act of 2009 instructs NTIA to issue non-discrimination and network interconnection obligations that will be contractual conditions of broadband grants it issues pursuant to the Act. Those obligations, at a minimum, must adhere to the principles contained in the Federal Communications Commission's 2005 broadband policy statement. On March 12, 2009, NTIA published a Request for Information that, among other things, seeks public comment on the nature and extent of non-discrimination and network interconnection it should impose on grant recipients. I am confident that through the public comment process NTIA will gain the information necessary to determine the extent to which any network management problems currently exist and to write non-discrimination and network interconnection conditions that fully protect the public.

Question 9. What in your view deserves the highest priority in terms of grant funding—access to unserved areas or improved access in underserved areas?

Answer. The American Recovery and Reinvestment Act charges the Department of Commerce with the responsibility of addressing the broadband needs of both "unserved" and "underserved" populations and facilitating greater use of broadband services. NTIA believes that addressing both issues is critical to BTOP's success. The challenges facing Greeley County may differ markedly from the challenges facing downtown Wichita. Past experience has taught us that availability is often a more significant issue in rural areas and adoption a more significant issue in urban areas but, if confirmed, I will treat both prongs as essential.

Question 10. In unserved areas should multiple providers receive grants to deploy broadband infrastructure in order to provide broadband service the same geographic area? In other words, should this program be used to not only provide first time service, but also to foster competing services? If so, will this not dilute the effect of the program and thereby limiting fund availability to fewer unserved areas?

Answer. Congress has wisely mandated that NTIA consider such factors as whether a grant will increase the affordability of, and subscribership to, service to the greatest population of users in an area and provide the greatest broadband speed possible such population. Fostering healthy competition is one important way to ensure that these goals are accomplished. On March 12, 2009, NTIA published Request for Information that, among other things, seeks public comment on how to best distribute broadband grant funds. It is my understanding that public comment on these and other issues will be accepted through April 13, 2009. In addition, I am aware that NTIA is in the process of holding a series of public meetings that are examining, among other things, these allocation and competition issues. Therefore, NTIA has not reached a final determination of whether multiple providers could receive grants to deploy infrastructure in the same geographic area; however, NTIA is considering a wide array of options in developing effective and efficient practices. If confirmed, I will direct that NTIA carefully consider the effect of grants

in competition and improving the quality of broadband services nationwide and in our local communities.

Question 11. The Commerce Department, through NTIA, is charged with managing the Federal Government's use of spectrum. The Federal Government uses a significant amount of spectrum in a variety of environments—from battlefields to disaster recovery operations to national parks. As technology enhances the ability to use spectrum more efficiently, some question whether the Federal Government needs all of its current spectrum holdings to manage its operations. What plans do you have to evaluate the use of spectrum by the Federal Government and to determine whether certain swathes of that spectrum could be reallocated for commercial use?

Answer. Through the use of radio technologies, Federal agencies support missions related to national defense, flight safety, environmental research, space exploration, law enforcement, and emergency and disaster relief services, among others. I plan to explore opportunities where the Federal Government can become more spectrum efficient by working closely with Federal agencies to ensure that they apply new technologies in a way that promotes efficient use of the radio spectrum. I will also ensure that NTIA continues to evaluate radio uses by service type to evaluate them in terms of technologies and spectrum management techniques employed to get the most use out of each band. NTIA is also reviewing bands occupied by Federal systems to see whether there are geographic areas or portions of frequency bands that are available for other uses.

Question 12. To what extent do you see the Commerce Department playing an active role in the development of telecommunications policy?

Answer. As the President's principal adviser on telecommunications policy, the NTIA has historically played and will continue to play an important and active role in the development of telecommunications policy. This role involves close coordination with other Federal agencies, including the FCC.

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