

"Today, we're meeting to examine the Department Commerce's 2013 budget request. We welcome Commerce Secretary John Bryson for joining us today for his first testimony before the Subcommittee since becoming Commerce Secretary in October 2011. Secretary Bryson brings valuable skills to his position. He has been a strong voice for American manufacturer, saying we need to 'Build it here, sell it everywhere.' He knows firsthand what American businesses are facing in today's challenging economy. We look forward to hearing from him about his budget and his priorities.

"The Commerce Department is the major economic engine for America. The President's request totals \$11 billion for the Department, including \$3 billion in patent and trademark fees.

"Today, I want to examine how these funds will do three things: 1) Protect American ideas by safeguarding our intellectual property with patents and trademarks and enforcement of our trade laws; 2) Protect our citizens by forecasting and warning about severe weather; 3) Protect taxpayer dollars. By that, I mean the Secretary of Commerce is the chief spokesperson for American business, but the Secretary is also the chief manager of major management challenges at the Department. Persistent problems need strong oversight. Issues that the Inspector General has identified include: NOAA's satellite procurement; the next Census; and the patent backlog and the stealing of our ideas.

"When it comes to protecting our ideas, the Department of Commerce needs to be cyber-obsessed - creating ways to protect its own DOT.GOV systems while working with the private sector to better protect DOT.COM. The National Institute of Standards and Technology (NIST), Commerce's outstanding science and research agency, is helping the private sector find new ways to solve today's cyber security problems. NIST's budget request of \$860 million includes \$60 million for cyber activities. I want to know how these funds will be used to protect online consumers and the private sector from cyber-attacks.

"But NIST is not the only agency standing sentry over America's intellectual property. The Patent and Trademark Office (PTO) protects American ideas and inventions, which are the heart of economic prosperity and jobs. The PTO has made progress in reducing the patent backlog, but over 657,000 patents are waiting for approval and it takes two and a half years to grant a patent. I also want to make sure that PTO's networks are secure American inventors are filing applications electronically. We must make sure the filing process is secure.

"When it comes to protecting people, every Member of this Subcommittee is pro-weather and pro-science. NOAA's satellites, ships and planes need to be fit for duty. We owe it to the men and women who operate this equipment and to the scientists and forecasters who depend on the data to do their jobs. And most importantly, we owe it to our communities: to the coastal states that depend on accurate hurricane forecasts and to the interior states that depend on timely tornado warnings. I know the President's Government Reform plan calls for moving NOAA to the Department of Interior, but in the meantime, I want to know what you are doing now to keep people and communities safe.

"The Inspector General has identified several major issues persistent management problems for the Department. Serious issues continue to challenge the Department, particularly planning and management of the next Census and NOAA weather satellite procurement.

"Controlling costs for the 2020 Census is a top oversight concern for both the Inspector General and the Government Accountability Office. Cost overruns become a major problem during the 2010 Census, and

already today we see estimates for the 2020 Census ranging from \$22 billion to \$30 billion. That's more than double 2010 Census costs. I want to know what is being done to reduce costs now.

"When Secretary Bryson agreed to be the chief spokesman for America's businesses, he also knew that 60 percent of the Department's budget is for NOAA, which includes fisheries management, coastal resource protection and operations of the National Weather Service. An area that I remain very troubled by is NOAA's acquisition of new weather satellites. The budget request for NOAA's new polar satellites – called JPSS – is nearly \$1 billion. JPSS's lifecycle cost – the costs of development and operations – have increased yet again from \$11.9 billion to \$12.9 billion. This new total cost estimate shows that despite strong warnings from the Subcommittee, JPSS is going in the wrong direction. Cost growth is hurting NOAA's core ocean and weather operations. This leads me to question if NOAA should remain responsible for procuring these satellites.

"In conclusion, I want to thank all the men and women of the Commerce Department. They are the trade experts, statisticians, patent and trademark examiners, scientists, engineers, and weather forecaster who work hard every day to promote American businesses, protect American ideas and resources and keep our economy moving forward.

"We look forward to hearing from Secretary Bryson."