

**Chairman Richard Shelby Opening Statement
Committee on Appropriations Subcommittee on Commerce, Justice, Science, and
Related Agencies**

**Hearing to review to Review the Budget Request and Budget Justification
for the U.S. Department of Commerce**

March 3, 2016

(As prepared for delivery)

Welcome to today's hearing of the Commerce, Justice, Science Appropriations Subcommittee.

This morning, we will hear from the Secretary of Commerce, Penny Pritzker, on the Department's fiscal year 2017 spending proposal. Welcome, Madam Secretary, and thank you for being here.

The Department of Commerce is charged with serving several critical functions for our nation.

These include: operating weather satellites and forecasting severe storms; enforcing trade laws to ensure American businesses can compete on a level playing field; working with distressed communities to spur economic development; and properly managing our nation's fisheries.

The Department's 2017 request totals \$9.7 billion. This is \$500 million above the 2016 enacted amount and includes some significant steps forward.

The largest increase in the Department is \$264 million of additional funding for the Census Bureau, as the agency continues to prepare for the 2020 Decennial Census.

In light of this increased funding, I am concerned by the Commerce Inspector General's assessment that the Bureau continues to face challenges in meeting its cost savings goals and still needs to develop a defined schedule with key milestones as the 2020 Census approaches.

In another area, the planned funding decrease for our next generation of satellites – while maintaining the construction tempo – is a positive step forward.

However, I am discouraged by the delayed launch of the 'Goes-R' satellite from October 2015 to October 2016.

As the Government Accountability Office continues to point out, the potential for gaps in weather data coverage are real and serious for both flagship satellite programs.

I am disappointed that the Department has failed to fully adopt GAO's recommendation to mitigate program risk, which I see as a symptom of NOAA's lack of commitment to launch these satellites on time and on budget.

I hope you can discuss how the Department's 2017 budget is addressing these satellite launch and construction delays.

The Department also takes the lead role in managing our nation's fisheries. I have grave concerns about NOAA's management process that has resulted in fewer days for fishermen to be out on the water.

NOAA's mismanagement of fisheries, like red snapper in the Gulf, has severely diminished the public's confidence in NOAA's ability to do its job.

To address these shortcomings, the Subcommittee has directed NOAA to count fish where fish live, and commissioned independent studies comparing the status of fish stocks with NOAA's internal data.

This subcommittee has also provided strong funding for at-sea monitoring while pushing NOAA to expand its adoption of electronic monitoring to increase coverage and reduce human observer costs.

The Subcommittee sees NOAA as an agency that is slow to adopt new technologies, and even the Commerce Inspector General has noted that NOAA has not yet developed a nationwide strategic plan for electronic monitoring.

I look forward to hearing how the Department's 2017 budget would begin to provide a system that is more accountable to the fishermen and businesses it affects.

NOAA's request also includes some unexpected changes from last year, with the most significant being the Department's 2017 request for a regional class vessel as the top need for recapitalizing NOAA's fleet.

Madam Secretary, last year you testified that NOAA needed a 'high endurance, long-range, ocean survey vessel', and, as a consequence, this Subcommittee invested \$80 million to begin new vessel construction in 2016.

Suddenly reducing the proposed size of new vessel construction in 2017 is not only a surprise departure from the administration's expressed need, it also changes the proposed use of 2016 funds.

The request also raises serious questions about how NOAA will be able to effectively conduct its at-sea operations in the future.

I will have further questions on this matter that I hope you can address here today.

Finally, the Department's 2017 request would continue building out the National Network for Manufacturing Innovation (NNMI).

This Subcommittee provided funding for the Department to establish one institute in 2016, with the understanding that it would be established through an open competition encompassing all manufacturing-related research areas.

Unfortunately, open competition was not expressed in the Department's 'Notice of Intent' for NNMI issued last December.

I am concerned that the 2017 request will again result in the Department trying to pick winners and losers through another closed selection process.

I look forward to hearing your views on these matters, Madam Secretary, and working with our Subcommittee members to address their concerns in the 2017 bill.

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