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Hatch Opening Statement at Trade Nominations Hearing

WASHINGTON - Senate Finance Committee Chairman Orrin Hatch (R-Utah) today delivered the following opening statement at a Finance Committee hearing to consider the nominations of Dennis Shea and C. J. Mahoney:

As most of you should be aware, we are tackling a lot today.

Today, we have a hearing on two important nominations. In addition, we have three items requiring a committee vote in executive session.

Just to avoid any confusion, let me explain how and in what order I intend to accomplish these tasks today.

We will begin with opening statements from myself and the ranking member.

Thereafter, the committee will hear from any Senators wishing to give statements about items on the markup agenda. As always, I would encourage members to enter their statements in the record so that we can move expeditiously. This is doubly true today as we have nominees and witnesses here ready to participate in our hearing. Still, if any Senator does wish to deliver a statement, I ask, as always, that they limit their remarks to three minutes.

After a few brief member statements, assuming we do not have a quorum at that point, I intend to introduce our witness panel and move forward with our hearing. I will likely move directly to votes when a suitable quorum is present, which may require a temporary pause in the hearing.

With the order of events made clear, let me discuss the substance of our meetings today. Regarding the first item on the markup agenda, I need to welcome our newest member, Senator Whitehouse, to the Finance Committee. We look forward to working with you and to your contributions to the committee's various efforts.

Our first vote will be in relation to changes in subcommittee assignments that have been circulated to the members.

That promises to be a real nail-biter.

Next, we will vote to once again report the nomination of Kevin K. McAleenan to be Commissioner of the U.S. Customs and Border Protection. We reported his nomination by voice vote just over a month ago, so I assume we'll be able to do so again today.

Finally, the third vote in our executive session will be to report the nomination of Alex Azar to be Secretary of Health and Human Services. We heard from Mr. Azar last week, and I believe he was very forthcoming in providing thoughtful responses when sharing his views and discussing his background with the committee. By any objective account, Mr. Azar is very well qualified for this important position. He has close to two decades of experience, the right expertise, and sound judgement. Further, he provided earnest and thoughtful responses to each of our questions.

Some of my friends on the other side of the dais have some differing views and we intend to hear from them today.

After all, I feel strongly that both sides should be heard out when we consider nominees with critical responsibilities such as the Secretary of HHS. However, because some members have made clear their intention of calling for a roll call vote on Mr. Azar's nomination, we may not have the vote on his nomination during this hearing. Instead, we will likely need to recess and reconvene the executive session until a time where all of the members who have expressed interest will be able to attend and cast their votes on this important nomination.

That said, I think we can move through the other two votes expeditiously as soon as a suitable quorum is present. And any pause or interruptions in the hearing should be minimal. Regarding the hearing, we have two nominees before us today. C.J. Mahoney and Dennis Shea, who, if confirmed, will be charged with fulfilling some vital responsibilities. I want to touch on two areas of importance to me that will fall within each of their portfolios.

First, Mr. Mahoney, you have been nominated to be the Deputy U.S. Trade Representative overseeing, among other responsibilities, trade in services. Mr. Shea, you have been nominated to be our nation's ambassador to the World Trade Organization, where promoting U.S. services trade will also be an essential part of your job.

The United States exported more than \$721 billion in services in 2015. That number reflects something that a Deputy USTR should keep in mind every day he is on the job: no country in the world comes close to the United States in services trade. It is a key competitive advantage for our country and an important driver of our economy.

If confirmed, each of our nominees would have the responsibility to establish international trade rules and negotiate international trade agreements that benefit U.S. services providers.

For Mr. Mahoney, promoting U.S. services exports should be an essential goal of NAFTA modernization, particularly providing for the cross-border flow of data and ensuring a prohibition on forced data localization.

For Mr. Shea, I hope that you will support plurilateral negotiations for a trade in services agreement with trading partners who are willing to take on high-standard commitments. Second, I want to speak about President Trump's priority of confronting the challenges posed by China to the international trading system. This is a goal that I support. If confirmed, both of you will bear a heavy responsibility for rolling back China's most harmful trade practices, including: intellectual property rights and trade secrets theft, economic espionage, artificial investment constraints and regulatory restrictions, and a persistent reliance on a state-directed economic model that produces overcapacities and harms American businesses and workers.

I look forward to hearing your views on how you believe the United States should address these challenges, including through the WTO.

Before we get to that point though, we need to move through the steps I mentioned before. As such, I'd like to invite my friend and Ranking Member, Senator Wyden to speak, and then we'll allow for members to deliver brief statements on the executive business before the committee as well.

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