

**Opening Statement of Ranking Member Sherrod Brown
Senate Banking Committee Hearing
“Nomination Hearing for positions at Treasury, Commerce,
Federal Reserve Bank, EXIM, and SEC”**

June 5, 2019

Sen. Brown’s remarks, as prepared for delivery, follow:

Thank you, Chairman Crapo, for holding today’s hearing on the nominations of Mr. Thomas Feddo, Ms. Nazak Nikakhtar, Mr. Ian Steff, Ms. Michelle Bowman, Mr. Paul Shmotolokha, and Ms. Allison Lee. I look forward to hearing their views and would like to welcome their families to the Committee.

Mr. Feddo is the first nominee to be Assistant Secretary of the Treasury for Investment Security, a position created under the Foreign Investment Risk Review Modernization Act of 2018—the bipartisan legislation from this Committee that made major reforms to the Committee on Foreign Investment in the United States.

We created this new position because of the critical role CFIUS plays protecting U.S. national security from increasing threats from certain foreign investments. Yesterday we heard about how China has adopted new tactics to acquire American technology in sectors that are vital to our national security. It’s why we passed this bill, and it’s why this job will be so important.

Mr. Feddo is currently serving as deputy assistant secretary for investment security, he played a key role in formulating the reforms last year, and is now working to carry out the technical and structural changes required under FIRRMA, including finishing the rulemakings to expand CFIUS’ scope, and filling new staff positions necessary for enhanced review of potential investments that could pose risks to national security.

If confirmed, Mr. Feddo, you will need to continue this critical work. I know you’ve made progress, and I look forward to hearing from you about next steps.

Ms. Nikakhtar has been nominated to serve as Under Secretary of Commerce for Industry and Security, responsible for a set of key U.S. national security, foreign policy, and economic objectives through application of effective U.S. and multilateral export controls and treaty compliance. Although Ms. Nikakhtar has extensive experience in international trade, including at the International Trade Administration, she has more limited experience in national security and export control matters.

If confirmed, Ms. Nikakhtar will be responsible for administering critical U.S. export control laws and regulations that cover emerging, foundational, and other forms of sensitive technology—an area of increasing importance.

Ms. Nikakhtar, I hope that you will work with your colleagues to navigate the complex national security and political concerns that surround the export of sophisticated U.S. technology.

Mr. Steff is nominated to be Assistant Secretary of Commerce for Global Markets and Director General of the United States and Foreign Commercial Service. In that role, he will be responsible for the International Trade Administration's work to advance U.S. business overseas and to promote U.S. exports and fair trade rules.

Mr. Steff's current experience as Deputy Assistant Secretary for Manufacturing at Commerce, and his prior experience working on economic development, in particular focusing on innovation and technology, provide him with an understanding of how to strengthen the competitiveness of U.S. industry, which ultimately should support American manufacturing and jobs. That's good for the economy and for workers.

Ms. Bowman was renominated to be a Member of the Board of Governors of the Federal Reserve System for a full 14-year term, expiring in 2034.

As a former state bank commissioner, Ms. Bowman serves in the role designated for a Fed Governor with community bank experience.

At her first nomination hearing, I was concerned that Ms. Bowman would be a rubber stamp for Wall Street. I was right to be concerned.

Ms. Bowman, I know you possess a deep understanding of community banks and are being nominated for a full 14-year term based, in part, on that understanding.

But, time and again, you have taken the side of the big banks as the Fed has done favors for Wall Street by relaxing capital standards and weakening stress tests and other post-crisis safeguards meant to protect taxpayers and the financial system.

If you are confirmed to a full term, I expect that you will do all you can to ensure that the regulatory system works for community banks and protects their customers.

Mr. Shmotolokha is the nominee to be First Vice President of the Export-Import Bank.

For nearly four years, I have pushed for the Ex-Im to be fully reopened, and with the confirmation of three board members last month, the Bank is finally running at full capacity. To stay competitive as they pursue business abroad American manufacturers need a reliable Export-Import Bank that is authorized for the long term.

Mr. Shmotolokha is the final nominee to the Bank's board to appear before our Committee. The full Senate needs to consider his nomination and the nomination of Claudia Slacik, who our Committee reported with overwhelming bipartisan support, so they can provide their expertise as the Bank resumes full operations.

If confirmed, he would bring significant private sector experience in the export of U.S. products to the global telecommunications industry. When the ExIm Bank was fully functioning, it supported more than 164,000 jobs a year. I look forward to hearing how we can expand on the number of U.S. jobs supported by the Bank.

Ms. Lee has been nominated to be a Commissioner of the Securities and Exchange Commission. If confirmed, Ms. Lee would return to the SEC at a critical time. The agency is considering several issues that will define the rights and protections for both individual and institutional investors.

I expect Ms. Lee to draw on her SEC enforcement experience when considering rules that could affect investors' rights and remedies against wrongdoers and when weighing penalties in misconduct cases.

The SEC needs to promote integrity and fairness in the capital markets so that investors can trust the markets and have faith in the regulator.

I look forward hearing from all of you.

Thank you, Chairman Crapo.

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