



FOR IMMEDIATE RELEASE
July 16, 2014

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Hatch Statement at Senate Finance Hearing on U.S. Tax Court and Deputy Trade Representative Nominations

WASHINGTON – Today, Finance Committee Ranking Member Orrin Hatch (R-Utah) released the following statement regarding the Senate Finance hearing on U.S. Tax Court and Deputy U.S. Trade Representative Nominations:

Mr. Chairman, thank you for holding today's hearing. I also want to thank our two nominees.

I am pleased that we are considering the nominations of Cary Douglas Pugh to be a judge on the U.S. Tax Court and Robert Holleyman to be Deputy U.S. Trade Representative.

As we all know, the U.S. Tax Court is an important part of our tax system.

As I've noted before, it is the only venue for taxpayers who want to challenge an assessed tax liability before payment. It's also one of the few government positions that deals with individual taxpayers face-to-face. That being the case, it is important that we keep the court staffed with qualified judges to ensure greater accountability to taxpayers.

I believe we have a fine nominee before us today.

Ms. Pugh has deep roots in the Old Dominion. Her family have lived in the same rural community for many generations.

I'm told that her passion is the Duke University Blue Devils. I'm also told she is a patient and well-prepared angler.

And, of course, she also happens to be a former staffer of this committee.

During her tenure on the Finance Committee Democratic tax staff, Ms. Pugh became known as a reliable member of Senator Baucus's team.

She developed a reputation as a problem solver, accomplishing quite a bit in the legislative arena in a relatively short period of time.

Ms. Pugh's reputation only grew in her later government and private sector experience.

I think Ms. Pugh's small-town common sense and excellent academic and professional credentials will serve her well should be confirmed to this important position on the Tax Court, which I expect she will be.

The Deputy USTR also plays an important role, particularly in formulating U.S. trade policy and advocating on behalf of America's international trade interests.

I understand that Mr. Holleyman, if confirmed, will be taking on a very important portfolio, including Asia, services, and intellectual property; all areas where we face significant challenges.

Turning first to Asia, China continues to be one of our most important and most challenging trading partners. China reaps great benefits from an open world trading system, but its record of adhering to the rules of that system is mixed at best.

U.S. exporters and investors in China face a host of challenges when trying to compete in China's large and growing market, including the continued theft of U.S. intellectual property and trade secrets, trade distorting subsidies, forced localization, and regulatory barriers.

Throughout Asia, our exporters face a range of barriers to their goods and services. One way to address many of these barriers is to negotiate strong rules in the Trans-Pacific Partnership, or TPP.

But here too, problems persist.

While I continue to support these negotiations, I am becoming increasingly concerned with the direction the negotiations appear to be taking. It seems that the administration may consider settling for less than full tariff liberalization from Japan.

This would not only result in a weak TPP agreement but also set a very bad precedent for other negotiations, including the Transatlantic Trade and Investment Partnership, or TTIP.

I am also concerned that the administration may once again short change U.S. innovators and intellectual property rights holders by agreeing to a weak outcome for intellectual property rights protection. Let me be very clear, I will not support an agreement that does not provide for the robust protection of U.S. intellectual property rights, including terms of data protection for biologics similar to those found in U.S. law.

Mr. Holleyman, if confirmed, intellectual property rights and innovation will also be part of your portfolio. It is essential that the Deputy USTR be a powerful advocate for strong intellectual property rights protection. I hope that you will be that voice. Such an advocate is badly needed at USTR right now.

Another area that would be in your portfolio is services.

Trade in services is one of our country's most competitive exports. If confirmed, you must work closely with Ambassador Punke (PUNK) to ensure that we meet the ambitious goals of the Trade in Services Agreement, and the TTIP.

I will also be counting on you, if confirmed, to ensure that all services – including financial services – are included in the regulatory coherence and market access outcomes of TTIP.

Finally, I hope you will help push the administration to be a stronger, more public advocate on behalf of renewing Trade Promotion Authority, or TPA. Without it, I don't think the administration can negotiate high-standard trade agreements that will achieve the goals of Congress and that will be passed into law.

The Bipartisan Trade Priorities Act that I introduced with former Senator Baucus and Chairman Camp would renew TPA and outline a set of bipartisan priorities for our trade negotiators.

A lot has changed since the last time TPA was renewed in 2002. Our bill recognizes that reality and, with extensive input from multiple stakeholders, we have created a bill that addresses the challenges our job creators, workers, farmers and ranchers are facing today.

It is my hope that we can move on our legislation as soon as possible.

It's essential to ensure that the ambitious trade negotiations currently underway are successful and that we achieve the best possible outcome for the American people.

Thank you, once again, Mr. Chairman for holding today's hearing. I look forward to hearing from both nominees.

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