

1 OPEN EXECUTIVE SESSION TO CONSIDER FAVORABLY REPORTING
2 THE NOMINATIONS OF GILBET B. KAPLAN, OF THE DISTRICT OF
3 COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR
4 INTERNATIONAL TRADE, UNITED STATES DEPARTMENT OF
5 COMMERCE; MATTHEW BASSETT, OF TENNESSEE, TO BE AN
6 ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES, UNITED
7 STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND
8 ROBERT CHARROW, OF MARYLAND, TO BE GENERAL COUNSEL OF THE
9 DEPARTMENT OF HEALTH AND HUMAN SERVICES, UNITED STATES
10 DEPARTMENT OF HEALTH AND HUMAN SERVICES

11 WEDNESDAY, SEPTEMBER 6, 2017

12 U.S. Senate,
13 Committee on Finance,
14 Washington, DC.

15 The hearing was convened, pursuant to notice, at
16 10:10 a.m., in room 215, Dirksen Senate Office Building,
17 Hon. Orrin g. Hatch (chairman of the committee)
18 presiding.

19 Present: Senators Crapo, Burr, Heller, Cassidy,
20 Wyden, and Cardin.

21 Also present: Republican Staff: Chris Armstrong,
22 Deputy Chief Oversight Counsel; Nicholas Wyatt, Tax and
23 Nominations Professional Staff Member; and Jeff Wrase,
24 Chief Economist. Democratic Staff: Michael Evans,
25 General Counsel; and Ian Nicholson, Investigator.

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1 OPENING STATEMENT OF HON. ORRIN G. HATCH, A U.S. SENATOR
2 FROM UTAH, CHAIRMAN, COMMITTEE ON FINANCE

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4 The Chairman. The committee will come to order. I
5 would like to welcome everyone here this morning.

6 Today the committee will consider, and hopefully,
7 report three nominees: Gilbert B. Kaplan, to be Under
8 Secretary of Commerce for International Trade; Matthew
9 Bassett, to be an Assistant Secretary of Health and Human
10 Services; and Robert Charrow, to be General Counsel of
11 the Department of Health and Human Services.

12 Now, this committee last met with each of these
13 nominees just before the Senate broke for the recess.
14 They each provided meaningful and candid responses that
15 demonstrate the seriousness and even-temperedness that
16 will be required in each of the positions for which they
17 have been nominated.

18 Once we get a quorum here, we will start today by
19 considering Mr. Kaplan, whose prior government experience
20 and private-sector knowhow make him an ideal candidate
21 for the position at the Department of Commerce. As we
22 all know, there is a lot going on over there, and I think
23 the administration can use the help of a knowledgeable
24 and capable leader like Mr. Kaplan.

25 Second on our list is Mr. Bassett. As you heard

1 from our good friend and fellow Senator John Boozman, Mr.
2 Bassett is highly qualified for the position within HHS
3 at this crucial time. I think he will make a significant
4 impact once he is confirmed.

5 Finally, we will consider Mr. Charrow, who has
6 considerable government experience dating back to his
7 time as the Principal Deputy General Counsel at HHS
8 during the Reagan administration. The role of General
9 Counsel at HHS is entrusted with interpreting the law as
10 written. I feel confident that Mr. Charrow will do just
11 that.

12 I am grateful for the bipartisan work we have done
13 to move each of these nominees through the committee
14 process up until this point. These appointments are
15 especially important at this time as we work to deal with
16 the aftermath of Hurricane Harvey and as we prepare for
17 and respond to other potential crises in the near future.

18 I look forward to reporting each of these
19 nominations to the full Senate where, with any luck, they
20 will be confirmed in short order. I believe each of
21 these nominees has broad support among parties on the
22 committee. That being the case, I am hoping we can move
23 through this process expeditiously.

24 With that, I will turn to Senator Wyden for his
25 remarks.

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1 OPENING STATEMENT OF HON. RON WYDEN, A U.S. SENATOR FROM
2 OREGON

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4 Senator Wyden. Thank you very much, Mr. Chairman.

5 Good to be back working with you. Obviously, we are
6 going to have a very busy fall.

7 I just want to note briefly that we have the one
8 health care bill with a timestamp on it. That is the
9 CHIP bill. More than 8 million kids and their families
10 in Oregon and around the country count on the committee
11 to renew funding for CHIP before it expires at the end of
12 this month.

13 We are going to have two health-care hearings
14 shortly. Chairman Hatch has a long history of
15 bipartisanship with respect to the Children's Health
16 Insurance Program. I am looking forward to tomorrow's
17 hearing and then working very closely with the chairman
18 to get this incredibly important issue that affects
19 millions of America's youngsters dealt with promptly.

20 Also on our turf, obviously, is the question of tax
21 reform. The administration has had one schedule after
22 another about how they are going to take up tax reform.
23 They call this the pivot to tax reform. But the fact is,
24 there has not been anything by way of real outreach to
25 this side of the aisle.

1 My colleagues on the Democratic side, the Finance
2 Committee, have repeatedly said that there is a great
3 need for tax reform, and we have specifically laid out
4 our principles for tax reform and working with the
5 majority. Leader McConnell, unfortunately, has
6 repeatedly stated -- stated publically -- that he plans a
7 go-it-alone partisan process.

8 That is walking back the history. And you can
9 almost see it every 30 years, that the way you get real
10 tax reform is you get both sides invested, and you
11 provide significant tax relief that puts real dollars in
12 the middle-class paychecks, protects progressivity, and
13 gives everybody in America the chance to get ahead. So
14 obviously we are going to have a lot of debate on that
15 subject.

16 Let me turn now to the nominees for this morning.
17 Two of the three nominees are up for positions at the
18 Department of Health and Human Services. Mr. Robert
19 Charrow is nominated to serve as General Counsel, and Mr.
20 Matthew Bassett is nominated to serve as Assistant
21 Secretary for Legislation.

22 A major part of their jobs will be improving the
23 Department's absolutely dismal, absolutely unacceptable
24 record of responding to oversight requests from this
25 committee. The Department's failure to answer basic

1 questions and provide documents to members of the Senate
2 Finance Committee -- and I am talking about both sides of
3 the dais - and their refusal to cooperate with the
4 oversight process now approaches the absurd. And members
5 on both sides of this committee have demanded
6 improvement.

7 There are a lot of examples of stonewalling I could
8 share, but picking just one -- I sent a letter to
9 Secretary Price on February 17th seeking information
10 about the decision to overhaul the *HealthCare.gov* website
11 during the early days of the administration. I still
12 await an adequate response.

13 There is no excuse for these long delays. This is a
14 request that was targeted and reasonably narrow, and I
15 certainly did not ask for information that was
16 unavailable. In fact, the Department is under court
17 order to provide documents to an outside group that made
18 a Freedom of Information Act request about a similar
19 subject.

20 So from where I sit, it is a clear case of the
21 Health and Human Services Department spending months
22 stonewalling a coequal branch of government performing
23 its constitutionally mandated duties.

24 So, Mr. Chairman, I would like to state now -- and
25 we are, of course, waiting for a quorum -- that I intend

1 to vote to report these two nominees from our committee.
2 But I am going to withhold my support on the floor until
3 the Department of Health and Human Services demonstrates
4 - demonstrates -- to both sides of this committee that it
5 is going to be responsive to oversight requests.

6 Finally, Mr. Gilbert Kaplan is nominated to serve as
7 the Under Secretary for Trade at the Department of
8 Commerce. That puts him at the top of the International
9 Trade Administration.

10 Vigorous trade enforcement is at the heart of Mr.
11 Kaplan's job if he is confirmed. Thus far, this
12 administration has not backed up the tough talk when it
13 comes to enforcing our trade laws.

14 A key example is last week's announcement that the
15 Commerce Department is going to delay levying tariffs on
16 Canadian softwood lumber that is subsidized and dumped in
17 the United States. This is an invitation to further harm
18 mill towns and resource-dependent communities all across
19 this country, especially in my home State of Oregon.
20 Obviously, negotiations on a lasting solution ought to
21 continue, but that does not mean that the United States
22 ought to quit enforcing the law in the meantime.

23 I appreciate Mr. Kaplan's commitment and response to
24 my question to fully brief the committee on these lumber
25 issues, and I expect him to take that commitment

1 seriously. In my view, his background shows that he
2 takes the right approach to vigorous, tough trade
3 enforcement, and that is needed now more than ever.

4 I intend to support his nomination today.

5 Thank you, Mr. Chairman.

6 The Chairman. Well, thank you.

7 I do not -- we only have six of our members here. I
8 do not know how long we should wait. Should we just do
9 this off the floor?

10 Senator Wyden. Mr. Chairman, I am fine with that.

11 Perhaps some of our colleagues want to make a statement.

12 I can stay, but I support your desire should you choose
13 to do this off the floor.

14 The Chairman. Okay.

15 Does anybody else care to make any comments on this
16 side of the aisle?

17 [No response.]

18 The Chairman. Anybody on this side of the aisle?

19 [No response.]

20 The Chairman. Well then, I think what we will do
21 is we will hold an the off the floor vote --

22 Senator Wyden. Very good.

23 The Chairman. -- during the first vote. And we
24 will just meet in the off-the-floor room there. And
25 hopefully we can get everybody there to report these two

1 excellent people out.

2 So with that, we will wait until then.

3 Thanks.

4 [Whereupon, at 10:20 a.m., the hearing was recessed
5 subject to the call of the chair.]

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7 [The Committee reconvened, pursuant to notice, on
8 Thursday September 7, 2017 at 12:30 in S-216, the
9 President's Room of the United States Capitol.]

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11 The Chairman. The committee will come to order. We meet
12 today to conclude our consideration of the nominations of
13 Gilbert B. Kaplan, to be Under Secretary of Commerce for
14 International Trade; Matthew Bassett, to be an Assistant
15 Secretary of Health and Human Services; and Robert
16 Charrow, to be General Counsel of the Department of
17 Health and Human Services.

18 I now entertain a motion that the committee
19 favorably report the nomination of Gilbert Kaplan.

20 Senator Wyden. So moved.

21 The Chairman. A recorded vote has been requested.

22 The clerk will call the roll.

23 The Clerk. Senator Grassley.

24 Senator Grassley. Aye.

25 The Clerk. Senator Crapo.

1 Senator Crapo. Aye.
2 The Clerk. Senator Roberts.
3 Senator Roberts. Aye.
4 The Clerk. Senator Enzi.
5 Senator Enzi. Aye.
6 The Clerk. Senator Cornyn.
7 Senator Cornyn. Aye.
8 The Clerk. Senator Thune.
9 Senator Thune. Aye.
10 The Clerk. Senator Burr.
11 Senator Burr. Aye.
12 The Clerk. Senator Isakson.
13 Senator Isakson. Aye.
14 The Clerk. Senator Portman.
15 Senator Portman. Aye.
16 The Clerk. Senator Toomey.
17 Senator Toomey. Aye.
18 The Clerk. Senator Heller.
19 Senator Heller. Aye.
20 The Clerk. Senator Scott.
21 Senator Scott. Aye.
22 The Clerk. Senator Cassidy.
23 Senator Cassidy. Aye.
24 The Clerk. Senator Wyden.
25 Senator Wyden. Aye.

1 The Clerk. Senator Stabenow.
2 Senator Stabenow. Aye.
3 The Clerk. Senator Cantwell.
4 Senator Cantwell. Aye.
5 The Clerk. Senator Nelson.
6 Senator Nelson. Aye.
7 The Clerk. Senator Menendez.
8 Senator Wyden. Aye, by proxy.
9 The Clerk. Senator Carper.
10 Senator Carper. Aye.
11 The Clerk. Senator Cardin.
12 Senator Cardin. Aye.
13 The Clerk. Senator Brown.
14 Senator Brown. Aye.
15 The Clerk. Senator Bennet.
16 Senator Bennet. Aye.
17 The Clerk. Senator Casey.
18 Senator Casey. Aye.
19 The Clerk. Senator Warner.
20 Senator Warner. Aye.
21 The Clerk. Senator McCaskill.
22 Senator McCaskill. Aye.
23 The Clerk. Mr. Chairman.
24 The Chairman. Aye.
25 The Clerk. The final tally including proxies is 26

1 ayes, 0 nays.

2 The Chairman. The ayes have it. The Kaplan
3 nomination is favorably reported.

4 I now entertain a motion that the committee
5 favorably report the nomination of Matthew Basset.

6 Senator Wyden. So moved.

7 The Chairman. A recorded vote has been requested.

8 The clerk will call the roll.

9 The Clerk. Senator Grassley.

10 Senator Grassley. Aye.

11 The Clerk. Senator Crapo.

12 Senator Crapo. Aye.

13 The Clerk. Senator Roberts.

14 Senator Roberts. Aye.

15 The Clerk. Senator Enzi.

16 Senator Enzi. Aye.

17 The Clerk. Senator Cornyn.

18 Senator Cornyn. Aye.

19 The Clerk. Senator Thune.

20 Senator Thune. Aye.

21 The Clerk. Senator Burr.

22 Senator Burr. Aye.

23 The Clerk. Senator Isakson.

24 Senator Isakson. Aye.

25 The Clerk. Senator Portman.

1 Senator Portman. Aye.
2 The Clerk. Senator Toomey.
3 Senator Toomey. Aye.
4 The Clerk. Senator Heller.
5 Senator Heller. Aye.
6 The Clerk. Senator Scott.
7 Senator Scott. Aye.
8 The Clerk. Senator Cassidy.
9 Senator Cassidy. Aye.
10 The Clerk. Senator Wyden.
11 Senator Wyden. Aye.
12 The Clerk. Senator Stabenow.
13 Senator Stabenow. Aye.
14 The Clerk. Senator Cantwell.
15 Senator Cantwell. Aye.
16 The Clerk. Senator Nelson.
17 Senator Nelson. Aye.
18 The Clerk. Senator Menendez.
19 Senator Wyden. Aye, by proxy.
20 The Clerk. Senator Carper.
21 Senator Carper. Aye.
22 The Clerk. Senator Cardin.
23 Senator Cardin. Aye.
24 The Clerk. Senator Brown.
25 Senator Brown. Aye.

1 The Clerk. Senator Bennet.
2 Senator Bennet. Aye.
3 The Clerk. Senator Casey.
4 Senator Casey. Aye.
5 The Clerk. Senator Warner.
6 Senator Warner. Aye.
7 The Clerk. Senator McCaskill.
8 Senator McCaskill. Aye.
9 The Clerk. Mr. Chairman.
10 The Chairman. Aye.
11 The Clerk. The final tally including proxies is 26
12 eyes, 0 nays.
13 The Chairman. The ayes have it. The Basset
14 nomination is favorably reported.
15 I now entertain a motion that the committee
16 favorably report the nomination of Robert Charrow.
17 Senator Wyden. So moved.
18 The Chairman. A recorded vote has been requested.
19 The clerk will call the roll.
20 The Clerk. Senator Grassley.
21 Senator Grassley. Aye.
22 The Clerk. Senator Crapo.
23 Senator Crapo. Aye.
24 The Clerk. Senator Roberts.
25 Senator Roberts. Aye.

1 The Clerk. Senator Enzi.
2 Senator Enzi. Aye.
3 The Clerk. Senator Cornyn.
4 Senator Cornyn. Aye.
5 The Clerk. Senator Thune.
6 Senator Thune. Aye.
7 The Clerk. Senator Burr.
8 Senator Burr. Aye.
9 The Clerk. Senator Isakson.
10 Senator Isakson. Aye.
11 The Clerk. Senator Portman.
12 Senator Portman. Aye.
13 The Clerk. Senator Toomey.
14 Senator Toomey. Aye.
15 The Clerk. Senator Heller.
16 Senator Heller. Aye.
17 The Clerk. Senator Scott.
18 Senator Scott. Aye.
19 The Clerk. Senator Cassidy.
20 Senator Cassidy. Aye.
21 The Clerk. Senator Wyden.
22 Senator Wyden. Aye.
23 The Clerk. Senator Stabenow.
24 Senator Stabenow. Aye.
25 The Clerk. Senator Cantwell.

1 Senator Cantwell. Aye.
2 The Clerk. Senator Nelson.
3 Senator Nelson. Aye.
4 The Clerk. Senator Menendez.
5 Senator Wyden. Aye, by proxy.
6 The Clerk. Senator Carper.
7 Senator Carper. Aye.
8 The Clerk. Senator Cardin.
9 Senator Cardin. Aye.
10 The Clerk. Senator Brown.
11 Senator Brown. Aye.
12 The Clerk. Senator Bennet.
13 Senator Bennet. Aye.
14 The Clerk. Senator Casey.
15 Senator Casey. Aye.
16 The Clerk. Senator Warner.
17 Senator Warner. Aye.
18 The Clerk. Senator McCaskill.
19 Senator McCaskill. Aye.
20 The Clerk. Mr. Chairman.
21 The Chairman. Aye.
22 The Clerk. The final tally including proxies is 26
23 ayes, 0 nays.
24 The Chairman. The ayes have it. The Charrow
25 nomination is favorably reported. I thank my colleagues.

1 [Whereupon, at 1:17 p.m., the meeting was adjourned.]

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