

U.S. Senator Maria Cantwell

Senate Floor Speech on Howard Lutnick's Nomination to be Secretary of Commerce

February, 18, 2025

[\[AUDIO\]](#) [\[VIDEO\]](#)

Sen. Cantwell: Mr. President, I come to the floor today to talk about the nomination of the President's nominee to run the Department of Commerce, an agency that is charged with a broad mission and a lot of complex issues that affect many sectors of our economy.

The next Secretary of Commerce will have to deal with a wide-ranging, growing list of issues, from trade and export controls, expanding broadband, weather forecasting, patent issues, export controls on A.I., and figuring out some of the most thorny issues related to how we move our country forward, generally, in commerce.

So it's fair to say that if the Commerce Secretary doesn't get it right, the American people and our American economy pay the price. Unfortunately I believe that Howard Lutnick, the President's nominee, isn't the right person for this job at this point in time.

Now, Mr. Lutnick and the President has made it very clear that one of Mr. Lutnick's key responsibilities will be for trade policy and the tariff policies that the president supports.

In my conversations with Mr. Lutnick and before his Commerce Committee hearing, he made it very clear that he intends to be very enthusiastic about the President's plans for tariffs.

When he talked about tariffs, I don't know if he knew how much the U.S. Economy was going to start paying the price. Talking to people throughout my state, I can tell you it's not lost on us, being a border state with Canada, how much this might affect us in oil and gas, in lumber, electric power, and many other issues of economic activity.

Mr. Lutnick was for, as the President said, the expanded taxes on imported steel and aluminum, and [...] across the board tariffs on China. As a result, China announced retaliatory tariffs and other countries also promised to retaliate, too.

That is why, when the Seattle times ran just recently this story about the tariffs, I really understood exactly how Washington businesses were feeling. That they know that one, this creates uncertainty, and they know that it raises costs.

Now, Mr. President, I come from one of the most trade dependent states in the nation. That's because we grow a lot of agriculture products that go to overseas markets, we make airplanes that go to a lot of overseas markets, we have a lot of software and software development. So the majority of companies, and the majority of employees in our state, basically are involved in things related to making and growing U.S. products that are shipped to overseas markets.

My constituents want to see inflation come down, and they want us to lower costs, not increase them. Now that President Trump is teasing out even more tariffs in the coming days on autos, pharmaceuticals, and semiconductors, it's going to drive up costs for consumers.

Another newspaper in my state, The Spokesman-Review, hardly a liberal bastion in the State of Washington, also did a pretty big story about the trade and tariffs, and what they put in a headline: "Trump and Inflation."

I can tell you this, Mr. President, we can't afford inflation. We want prices to come down. Whether that's on housing or whether that's on pharmaceuticals or whether that's on food prices, we know that tariffs can increase prices.

So the Commerce Secretary, who is going to be involved in driving and responsible for this tariff impact, is not someone I want to see in this job. The Secretary of Commerce's job is to expand exports. I think with 95% of consumers living outside the United States, it is time to try to reach a process where we can get more products into those markets.

I'm also very concerned about how America maintains our competitiveness in an international marketplace if things are more expensive, particularly manufacturing. My state has been a great beneficiary of a renaissance in manufacturing for a whole lot of reasons, but because of the CHIPS and Science Act, the infrastructure bill, and the IRA bill. And all of those gave people a chance to bring supply chains back to the United States, start growing middle class jobs in the United States of America again, and lowering costs.

That is why we worked so hard on the CHIPS and Science Act, something that was voted on here in a bipartisan fashion, led by then-Commerce Secretary Raimondo, in a process that ultimately awarded billions of dollars to advance the domestic semiconductor manufacturing industry here. In total, negotiating 32 deals across 22 states.

So I know that the presiding officer, the President, knows all about this as a member of the Commerce Committee, but there are many states that were the beneficiaries of these investments and are helping us bring even more of the domestic supply chain back to the United States.

We learned during the chips crisis that even the cost of a used car went up \$2,000. That's because chips were at a shortage, car industries, trucking industries couldn't even get enough chips to make and ship cars, and then the consequence was even used cars went up \$2,000.

So we don't want to recreate that again. We want a Commerce Secretary who is going to fight for the CHIPS and Science investment that's already been made in the electronic manufacturing process in the United States and keep the semiconductor industry right here.

But unfortunately, Mr. Lutnick, before the Committee, would not commit to standing by the commitments of the term sheets the Department of Commerce has already signed.

In fact, before he's even been confirmed, Reuters last week said the Administration started telling companies that they might even revisit these agreements that have been signed. So let me be clear, these are awards to critical states like Texas, New York, Ohio, Arizona, and Pennsylvania, and now the President is saying he's going to revisit those signed contracts.

Delaying these projects also means we are delaying bringing the supply chain back to the United States, that we are making it harder for the United States to be competitive in an industry that is critical for us to lead, not just on the most advanced chips, but continuing in the manufacturing of semiconductors overall.

In his Commerce Committee nomination, Mr. Lutnick also heard from members of both sides of the aisle about their support for the science part of the CHIPS and Science Act. These are amazing initiatives that brought coalitions of people together to catalyze new economic engines, in some cases in the most rural parts of the United States. Why? Because it is so expensive to do innovation in Silicon Valley, in Boston, and even in some parts of my state.

So the whole point was to continue to make investments in test bedding and scaling technology, so the United States would not lose out. And these awards have been made, but Mr. Lutnick also refused to commit to honoring those agreements and putting many of those issues at question.

I know my colleagues on both sides of the aisle will continue to push for these investments. But today's nominee, if he is confirmed, is also going to be overseeing the Bureau of Industry and Security, which implements export controls and dual-use technology, and have both commercial and military proliferation applications.

That means you couldn't find a person whose day job is going to be more serious on export controls than Mr. Lutnick's. And yet, Mr. Lutnick, in the conversations that we had before the Committee, I don't believe gave the Committee a full understanding of what he was going to do to protect these interests.

In fact, the administration has already [almost] abandoned something called the A.I. Safety Institute, which is widely supported, literally by practically everybody in the A.I. sector, and would help us remain a leader. This is the kind of standards that we would expect to be set, and the kind of controls that we would hope would help the United States not have some vital technology exported outside the United States.

But we also questioned Mr. Lutnick on his background with stablecoin. Mr. Lutnick and the stablecoin that he's been involved in has been considered a very good tool for the cryptocurrency system, but a target of very illicit funds. Some estimates are that [Tether accounts for] as much as 60% of billions of dollars of illicit activities, by people like North Korea, Southeast Asia, Mexican fentanyl pushers, cybercriminals - and all because of stablecoin.

Now, Mr. Lutnick has an incredible personal story. Losing his parents at a very young age, and also the tragedy that befell Cantor Fitzgerald when terrorists struck.

So I know that Mr. Lutnick knows about terrorist organizations and has probably been affected for the rest of his life over that tragedy. But in the Committee, when we were trying to get him to understand why we in the federal government put on sanctions against countries, and we want to hear a Commerce Secretary say, "We agree with those sanctions, we are going to fight for those sanctions, we are going to fight anybody who tries to get around those sanctions."

We asked Mr. Lutnick about ways to address that fact that maybe some large amount, \$19 billion of Tether's funds, might be illegal, illicit transactions, he said he thought that in the future, a software AI solution would help stop that.

Well, I was hoping that Mr. Lutnick would be more aggressive than that. I would hope that he would help the United States in moving on something today that would help give more transparency in the cryptocurrency market. I support, as the Presiding Officer does, moving forward on cryptocurrencies. But I also believe that there should be some transparency, and certainly should be a fight against people who use that for illicit activities.

I also asked Mr. Lutnick something about the U.S. sovereign debt futures, something that I know that he was involved in as it related to the Chicago Mercantile Exchange and putting up a competitive bid. It was a notion of, how do we settle futures? How do we in the United States -- if Mr. Lutnick's future company was doing business with the London Exchange, settle any kind of -- let's say we don't raise the debt ceiling and we had a crisis here, what would the United States do? Not unsimilar to what we did in 2009 after the 2008, basically recession of our economy.

These similar questions came up in the Finance Committee, and I found that the Treasury nominee before the Committee answered those questions correctly. But Mr. Lutnick said that he still thought that his idea of settling with a foreign country, which I think puts the United States second, above England, is not something I would be willing to do, but I think he was willing to continue to move forward.

So those things, an answer about how we'll catch up with the money laundering in the future with an AI solution, and how the settling on the foreign exchange, also left me with some concerns. But when we come to NOAA, which is 60% of the Commerce budget, the National Oceanic and Atmospheric Administration, when asked for the record, "Should NOAA be dismantled, as called for in Project 2025?", Mr. Lutnick would only say he'll figure it out once he's confirmed.

We needed a bigger commitment to NOAA.

NOAA already supplies a big, important aspect of what we deal with, with weather forecasting, tracking extreme weather, hurricanes, wildfires, managing our fisheries, operating ships that conduct important charting for national security. Mr. Lutnick gave very tepid support for NOAA.

With 60% of the budget and so much now at stake, as the White House every day says they're going to cut staffing and cut programs, Congress wants to be assured that a nominee is going to fight for the agency that he is there to represent, that he's there to fight for their core mission that they provide in important services.

So I am urging my colleagues to not support this nominee, and hope that we all can work together to continue to say how important NOAA's management of our fisheries are, how important it is to protect U.S. fishermen from Russian and Chinese illegal fishing and deception and trade practices that are hurting our consumers, and protect accurate weather forecasting for all Americans.

Now is our chance to stand up for these essential services, your constituents depend on it.

I thank the President and -- oh, Madam President, I would, just one more thing.

The aviation news that continues to roll out, I want to give my thoughts and prayers to those who been affected by the Minneapolis to Canada flight for Delta Airlines.

We've now had the DCA incident and this incident, and obviously one in Philadelphia. I would just say this: now is not the time to cut FAA staffing. Now is the time to ask questions about what can we do to further enhance aviation safety? What can we all do, knowing that we have suffered from a door plug accident, and from two MAX plane crashes.

And while we passed legislation to address those MAX crashes, we still have work to do. And we passed an FAA five-year reauthorization that helped us get more air traffic controllers.

It is critically clear to me that we need these air traffic controllers, and so we have to make these investments. We should be working together, right now, on aviation. The most important thing? Let's

work together for the benefit of the flying public to come up with the best solutions that we can implement in aviation safety.

Taking a broad brush and just cutting people out of the FAA, when oftentimes they're the people that are helping you get that safety, is not what we should be doing right now.

I think the President and I yield the floor.