



July 18, 2022

The Honorable Rosa DeLauro  
Chair  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kay Granger  
Ranking Member  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Chair DeLauro and Ranking Member Granger:

As the Committee prepares to mark up the Fiscal Year 2023 Financial Services and General Government Appropriations bill, the U.S. Chamber of Commerce supports the Committee's recommendations for the Office of the Intellectual Property Enforcement Coordinator, the Small Business Administration (SBA) and its affiliated programs, and for the Office of State Trade and Export Promotion. Chamber members also support strengthening Federal information networks and the Technology Modernization Fund as cyber threats are on the rise and could negatively impact government information systems. Accordingly, we urge you to consider the following funding and policy recommendations.

**Office of the Intellectual Property Enforcement Coordinator (IPEC):** The Chamber supports \$2 million in funding for dedicated, full-time staff to assist the IPEC in fulfilling its mission of improving government agency efficiencies and coordination and supporting private sector initiatives to combat intellectual property theft and counterfeiting of domestic products. We strongly support IPEC's work to promote voluntary, stakeholder-driven initiatives to deprive piracy services of revenue from legitimate payment processors and advertising networks. The Chamber supports IPEC's mission to focus on engaging hosting entities such as registries and registrars to combat piracy. In addition, IPEC should work to ensure that U.S. companies that provide hosting and analogous services work proactively and effectively so that their legitimate services are not manipulated to facilitate the theft of American copyrighted works.

**Small Business Administration (SBA):** The Chamber strongly supports extending lending authority in the amount of \$35 billion for the SBA 7(a) lending program. Regulation meant to reduce risk within the banking system has had the unintended consequence of reducing traditional avenues for lending for small business. As a result, financial institutions have sought other means to mitigate the risk of lending to small businesses. The SBA has been faced with daunting challenges due to administering the latest programs and loans that congress created to give businesses a lifeline to stay open as we navigate a post pandemic economy. We also support funding of at least \$20 million for State Trade and Export Promotion (STEP) grants under section 1207 of the Small Business Jobs Act of 2010 (P.L. 111-240). These grants have been instrumental in helping states provide aid to assist small businesses export.

**Technology Modernization Fund (TMF):** The Chamber supports \$100 million in funding for the Technology Modernization fund, as authorized by the Modernizing Government Technology (MGT) Act. Federal agencies spend 80% of their total information technology (IT) budgets on maintaining aging, insecure, and expensive legacy systems. Among other things, the TMF will help the federal government improve the cybersecurity posture of its networks and information systems.

**Internal Revenue Service (IRS) Business System Modernization:** The Chamber supports \$310 million for Business System Modernization to update an outdated IRS legacy system and

improve IRS Web applications and assisting taxpayers in filing tax documents. An investment in Business System Modernization will help protect the agency from increasing numbers of cyber-attacks.

**Subject CFPB to Congressional Appropriations:** The Chamber supports instituting congressional control over the Bureau's budget. Congress should place the CFPB in the regular appropriations process and exercise meaningful oversight over the Bureau. Only with congressional oversight will the Bureau be subject to the will of the people instead of strictly a sole director's whim.

**Reporting Requirements for Financial Regulators:** The Chamber supports reporting requirements to Congress by financial regulators on their interactions and negotiations with international standard-setting bodies including the Financial Stability Board, Basel Committee on Banking Supervision, International Association of Insurance Supervisors, and the International Organization of Securities Commissions. While global coordination can be beneficial, transparency will help ensure that policy aims are consistent with Congressional intent.

**Political Spending Disclosure:** The Chamber strongly supports prohibiting the Securities and Exchange Commission (SEC) from considering a rulemaking petition on political spending disclosures. Electioneering activities that are the subject of such a rulemaking petition are already disclosed under election law, and such a petition is outside the authority of the SEC. Furthermore, shareholders have routinely rejected these disclosures when they have been proposed by shareholder resolution. Also, we support maintaining the funding restriction that prohibits political spending or campaign activity reporting requirements or regulations as a condition of submitting any federal contract offers.

The Chamber opposes the following provisions:

**Sec. 540.** This section would prevent the Securities and Exchange Commission (SEC) from implementing reforms to proxy advisory firms that were finalized on July 22, 2020. These new rules and guidance provide oversight of proxy advisory firms, transparency on proxy advice, and ending conflicts of interest. These reforms are in the best interest of businesses and shareholders.

We thank the Committee for providing the federal agencies with the resources needed to assist consumers, ensure the integrity of our markets, and support small businesses. The Chamber appreciates your consideration of these recommendations as you prepare to mark up the Fiscal Year 2023 Financial Services and General Government Appropriations bill.

Sincerely,



Neil L. Bradley  
Executive Vice President, Chief Policy Officer,  
and Head of Strategic Advocacy  
U.S. Chamber of Commerce

cc: Members of the House Committee on Appropriations