



October 6, 2000

The Honorable John McCain
Chairman, Committee on Commerce,
Science and Transportation
United States Senate
Washington, D.C. 20510-6125

Dear Mr. Chairman:

On September 26, 2000, the House of Representatives passed H.R. 4429, "The Electronic Commerce Enhancement Act of 2000". H.R. 4429 is a bill which requires the Director of the National Institute of Standards and Technology (NIST) to assist small and medium-sized manufacturers and other such businesses to successfully integrate and utilize electronic commerce technologies and business practices. The Department of Commerce supports Senate passage of H.R. 4429 with amendments to address the following specific concerns.

In Title I, some aspects of the language associated with the scope of the advisory panel effort established in section 102 need clarification as follows.

- Amend paragraph (b)(3) to read "identify the current and potential impact the interoperability of electronic commerce technologies has on the adoption rate of electronic commerce by small and medium-size manufacturers and other such businesses; include an economic assessment of this impact where possible; and recommend the appropriate role, if any, for the National Institute of Standards and Technology in addressing issues in interoperability of electronic commerce technologies."
- Amend paragraph (b)(4) to read "include an assessment of the appropriate role of, and near- and intermediate term recommendations for, the Manufacturing Extension Partnership program to assist small and medium-sized manufacturers and other such businesses to integrate and utilize electronic commerce technologies and business practices."
- Delete paragraph (c)

In addition, we are concerned that Title II, as currently written, implies that the Federal Government will engage in planning for private sector firms – an inappropriate activity. Traditionally, NIST has assisted industry as a facilitator in industry-led roadmaps and

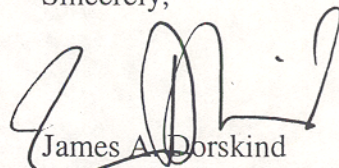
assessments, in addition to working with whole industries in providing technical support for standards development. NIST has not been involved in directing private sector activities. NIST's role in Title II should reflect this; therefore, we seek the following changes:

- Amend section 201(a) to state that "The Director shall reach out to major manufacturing industries to identify critical enterprise integration standards and implementation activities for these industries underway in the United States. For each major manufacturing industry agreeing to work with the National Institute of Standards and Technology, the Director shall work with industry representatives and organizations currently engaged in enterprise integration activities and other appropriate representatives as necessary and as available resources allow for. They shall assess the current state of enterprise integration within the industry, identify the remaining steps in achieving enterprise integration, and identify potential roles the National Institute of Standards and Technology could have in providing technical support for standards development relating to enterprise integration."
- Amend section 201(b) to state that "Within 90 days after the date of the enactment of this Act, the Director shall report to the Congress on the status of these matters and on anticipated related National Institute of Standards and Technology activities for the then current fiscal year. Within 180 days after the date of the enactment of the Act, the Director shall submit to Congress a report describing the assessment performed in paragraph (a)."

In order to conform to the above changes, the title of the bill should be amended to read as follows: "A bill to require the Director of the National Institute of Standards and Technology to assist small and medium-sized manufacturers and other such businesses to successfully integrate and utilize electronic commerce technologies and business practices, and to authorize the National Institute of Standards and Technology to assess critical enterprise integration standards and implementation activities for interested major manufacturing industries and to work with each of these industries to identify the remaining steps and technical support needed for achieving enterprise integration."

The Department of Commerce would support H.R. 4429 if these changes are made. The Office of Management and Budget has advised that there is no objection to the submission of this letter from the viewpoint of the Administration's program.

Sincerely,



James A. Dorskind
Acting General Counsel