



OCT - 3 2007

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

Dear Mr. Chairman:

This letter expresses the views of the U.S. Department of Commerce on S. 1650, the "Max Cleland Minority Serving Institution Digital and Wireless Technology Opportunity Act." The bill would create within the Department an office to award grants, contracts, and cooperative agreements to minority-serving institutions for digital and wireless network technology instruction and acquisition. In addition, the bill would authorize \$250 million annually for five years to establish a digital and wireless network technology program and fulfill the bill's other purposes.

While the Bush Administration supports the goal of assisting America's institutions of higher education to develop fully their ability to effectively use technology to improve learning and research, the new program authorized under this bill is duplicative of other significant federal investments aimed at strengthening minority-serving institutions. In 2007, the Department of Education provided over \$400 million for developing minority-serving institutions, much of which can be used for wireless technology instruction and acquisition. The Department of Education also provided nearly \$240 million in 2007 to Howard University to support university operations and development. Other agencies, including the Departments of Agriculture, Commerce and Defense, NASA, and the National Science Foundation, also provide over a hundred million dollars of additional support for minority-serving institutions each year for institutional support and development.

The Administration has a number of serious concerns regarding the bill's expansion of the federal role in supporting universities and the resulting impact of this expansion on the Department's traditional core activities. It is also unclear whether there is a compelling need to provide capacity for instruction in digital and wireless technologies as described in the bill. Regardless, the routine purchase of computers, networking technologies, and related instructional equipment should remain the responsibility of universities. For these reasons, as well as those detailed below, the Administration opposes passage of this bill.

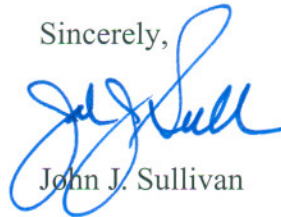
Rather than directly funding acquisition of computers and networking equipment at universities, the Administration believes the goal of assisting institutions of higher education to use technology effectively to improve learning and research is more appropriately accomplished by ongoing programs and activities. The Administration's FY 2008 budget seeks considerable funding for financial assistance programs to improve technology instruction and infrastructure at educational institutions, including minority-serving institutions.

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Section 4 of the bill establishes as application review criteria: 1) a demonstrated need for program assistance, and 2) the diversity among the types of institutions receiving assistance. These criteria appear to omit a proposal's feasibility as an evaluation factor. Finally, limiting to \$2.5 million the assistance an eligible institution may receive under the program until all other applicants have received support, as provided in Section 6 of the bill, limits considerations of the comparative merits of the applications under review.

Thank you for considering the Department's views. If you have any questions, please contact me or Nat Wienecke, Assistant Secretary for Legislative and Intergovernmental Affairs, at (202) 482-3663. The Office of Management and Budget has advised that there is no objection to transmittal of this letter to the Congress from the standpoint of the Administration's program.

Sincerely,



John J. Sullivan

cc: The Honorable Ted Stevens
Vice Chairman