Testimony of

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U.S. DEPARTMENT OF COMMERCE

before a hearing of the

Subcommittee on Investigations and Oversight

Committee on Science, Space, and Technology

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Stimulus Oversight: An Update on Accountability, Transparency, and Performance

Chairman Broun, Ranking Member Tonko, and Members of the Subcommittee:

I appreciate the opportunity to testify today about our oversight of the Department of Commerce's implementation of the science, technology, and other programs funded through the American Recovery and Reinvestment Act of 2009. The Recovery Act demands of its recipient federal agencies unprecedented accountability and transparency—related to both their spending decisions and the impact of funded activities—particularly as they contribute to the administration's goals of creating jobs and strengthening the economy.

The Recovery Act established a central role for Offices of Inspector General in monitoring their agency's use of funds in efforts to prevent fraud, waste, and abuse. My testimony today will focus on our oversight of the $7.9 billion of Recovery Act funding that the Department of Commerce received, including:

- challenges and risks the Department of Commerce has encountered in spending these funds,

- a summary of the Department of Commerce OIG's Recovery Act oversight activities, and

- lessons learned from our oversight of Recovery Act spending.

Slower Spending Has Challenged Agencies' Science, Technology, and Business Development Initiatives Aimed at Job Creation

Of the $7.9 billion in Recovery Act funds the Department of Commerce received (see table 1), $1.1 billion was ultimately rescinded or transferred to other agencies. Bureaus receiving funding include the Census Bureau, Economic Development Administration (EDA), National Institute of Standards and Technology (NIST), National Oceanic and Atmospheric Administration (NOAA), and the National Telecommunications and Information Administration (NTIA). Additionally, OIG received Recovery Act funds for oversight purposes.

Table 1. Department of Commerce Recovery Act Funding

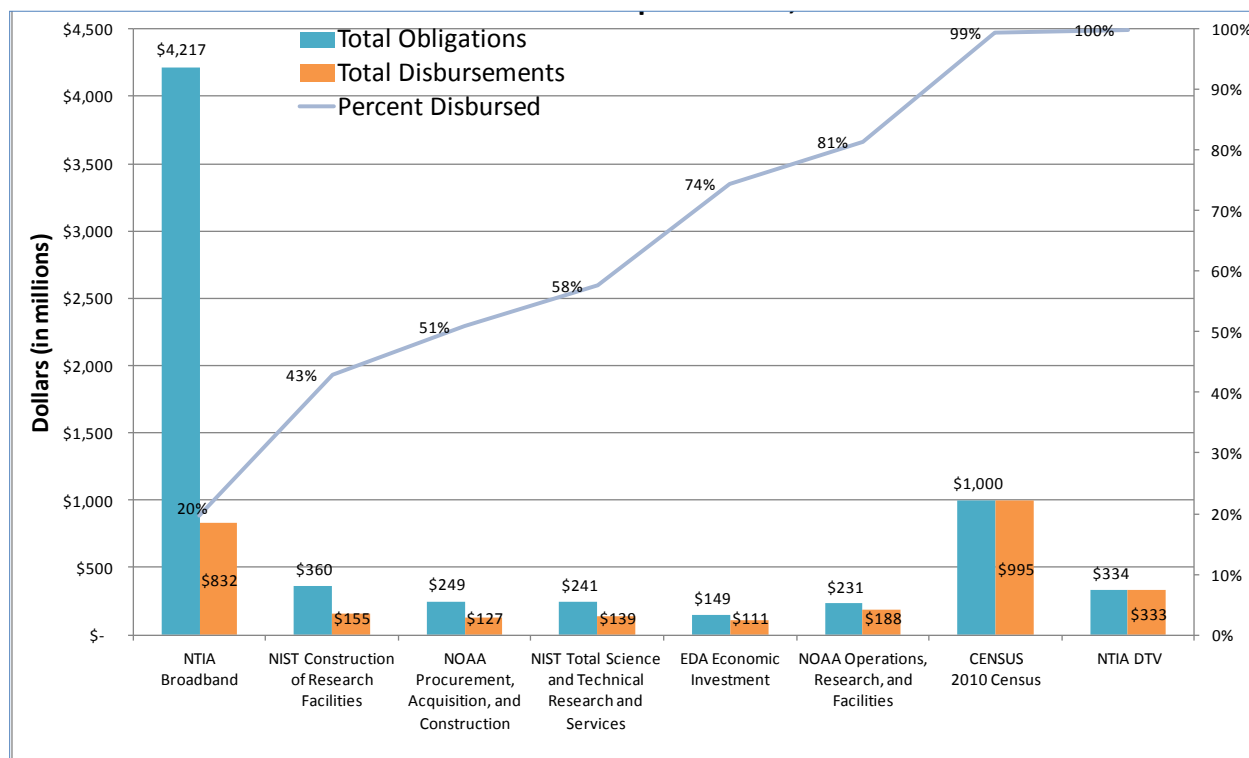| Agency	Amount FUNDED (in millions)	Amount RESCINDED or TRANSFERRED[a] (in millions)
NTIA	$5,300	$737
Census	$1,000	
NOAA	$830	$350
NIST	$610	
EDA	$150	
OIG	$ 16	
Total	*$7,906*	*$1,087*

Source: OIG

Shaded: agencies with science or science-related funding

[a] Digital TV Transition and Public Safety program (DTV) rescissions totaled $240 million; the Broadband Technology Opportunities Program (BTOP) rescission was $302 million. Transfers to other agencies include NOAA ($350 million) and NTIA ($195 million) transfers. Of the $545 million total in transfers, $18 million was returned to NOAA in unspent funds.

As of September 30, 2011, the Department had obligated almost all of the remaining $6.8 billion of Recovery Act funds and disbursed approximately $2.9 billion (see figure 1):

Figure 1. Commerce Agencies' Recovery Act Obligations and Disbursements as of September 30, 2011

Source: Data from Department of Commerce weekly spending reports; chart created by OIG

Obligations for NOAA procurement, acquisition, and construction (PAC)—as well as NOAA operations, research, and facilities (ORF)—total $480 million. The remaining $350 million was transferred to other federal agencies for completions of specific Recovery Act projects. The two largest of these projects was $140 million transferred to the Naval Facilities Engineering Command for construction of the Pacific Regional Center in Hawaii and $73 million transferred to the Department of Energy for assistance in high performance computing services provided by Oak Ridge National laboratories.

Two agencies in our Department (NOAA and NIST) received $1.4 billion for purposes that OIG categorizes as science or science-related.

NOAA has directed its Recovery Act funds toward activities intended to promote and enhance its broad marine and environmental stewardship mandates:

- *$430 million* **for construction and repair of NOAA facilities, ships, and equipment; improvements in weather forecasting; and development of satellite sensors**. NOAA consolidated laboratories and facilities are under construction in La Jolla, California, and Honolulu, Hawaii. The NOAA satellite tracking station at Fairbanks, Alaska, has been completed. The NOAA Ship Reuben Lasker (FSV6) is under construction and two climate monitoring instruments are under development for the Joint Polar Satellite System program.

- *$230 million* **for habitat restoration, navigation projects, and vessel maintenance** have made significant progress towards completion**.**

- ***$170 million* for climate modeling activities and climate research, including procurement of supercomputers** that have been installed**.**

NIST has used its Recovery Act funds to expand its technical research capacity:

- ***$360 million* to construct research facilities**, including $180 million in competitive grants to universities for the construction of research science buildings; and

- ***$220 million* in scientific and technical research, equipment, and services**.

In addition, NIST has received an additional $20 million from the Department of Health and Human Services to accelerate efforts to develop and deploy health records and a nationwide health care information technology testing infrastructure—as well as $10 million[1] from the Department of Energy to develop a comprehensive framework for a nationwide, fully interoperable "smart grid" for the U.S. electric power system.

The remaining $5.4 billion was spread across NTIA, Census, and EDA for the expansion of broadband services, 2010 decennial census operations, and public works projects respectively.

To meet Recovery Act goals for unprecedented transparency and accountability (stated in section 1512), recipients of Recovery Act grant and contract funds are required to submit quarterly reports containing detailed information on projects, activities funded by the Act, and their impact on jobs creation. It also directs agencies to review this information before it is posted to a public website (www.Recovery.gov). For the quarter ending September 30, 2011, the Department's recipient reporting data includes:

- 437 ongoing grants required to provide quarterly reports, representing almost $4.7 billion of obligated funds, and 35 fully completed grants totaling $58 million (about 1 percent of the total value of grants awarded);

- 196 ongoing contracts required to submit quarterly reports, representing almost $539 million, and 283 fully completed contracts totaling approximately $338 million (about 40 percent of the total value of contracts awarded); and

- 4,748 jobs created or retained[2] from grants and 687 from contracts.

In our July 29, 2011, audit report *Commerce Has Procedures in Place for Recovery Act Recipient Reporting but Improvement Should Be Made,* we found that the Department has implemented effective internal controls over its Recovery Act recipient reporting and, as a result, had an overall very low error rate. However, this success arose as the result of the Department's grants and contracts personnel performing many manual procedures to compensate for grant and contract system inadequacies. We made recommendations on several areas in which the

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[1] After February 2009, the Department of Energy added another $2 million to the $10 million it sent to the NIST Scientific and Technical Research Services account to help develop a comprehensive framework for a nationwide, fully interoperable "smart grid" for the U.S. electric power system.

[2] "Jobs created or retained" calculations derive from jobs funded in that quarter by the Recovery Act. Agencies report jobs created or retained quarterly and are not cumulative.

Department could reduce its reliance on manual effort, increase the efficiency of its reporting, and improve data quality. For example, its systems could be updated to make data fields consistent with recipients' quarterly reports. Also, implementing a single Department-wide management system to replace the three current systems would further streamline processes and increase accuracy.

Newer Programs Experienced Slower Disbursements Than Existing Ones

As detailed in figure 1, the disbursement rate of what OIG considers science, science-related, and technology funds ranges from a low of 20 percent to a high of 81 percent. Agencies have faced challenges—first in obligating and now in spending the funds—with certain programs.

The slower-developing disbursements resulted from:

- establishing new programs, like NTIA's $4.7 billion Broadband Technology Opportunities Program (BTOP), the largest of the new programs;

- building facilities that required environmental assessments before construction could even start; and

- the lengthy process of soliciting and evaluating proposals for competitive grant and contract awards.

Funding that supplemented existing programs, such as the 2010 decennial census and NTIA's digital-to- analog TV coupon program, experienced much quicker disbursements. With new programs established, awards made, and many environmental assessments completed, spending should now accelerate.

The Department Faces Risks of Not Completing Recovery Act Projects on Time

Other challenges remain to completing projects on time. Recovery Act spending in general—and, thus, the Department's Recovery Act-funded science and science-related programs—relies heavily on grantees and contractors completing these projects. Effective oversight by the Department and its agencies is necessary to make sure projects are completed and the science-related benefits sought for both the public and government use are realized.

An additional challenge is the September 15, 2011, OMB guidance to accelerate spending for Recovery Act grants. In light of the current economic situation and the need to maximize economic stimulus, OMB stated that it is critical that agencies spend remaining grant funds as quickly and efficiently as possible. To that end, OMB directed agencies to accelerate the spending of Recovery Act grant funds, consistent with existing laws and regulations and program objectives—if these funds remain unspent by September 30, 2013, agencies will reclaim them to the extent permitted by law. This new OMB policy aims to compress the period of availability for the bulk of remaining grant funds into the next 2 years. OMB has provided a way for federal agencies to request waivers from the September 30, 2013, deadline. However, agencies should request such waivers sparingly.

The Department's agencies and programs facing construction-related challenges with the new OMB guidance on accelerating Recovery Act grant spending include:

- $3.4 billion in 121 NTIA BTOP comprehensive community infrastructure grants,

- $180 million in 16 NIST competitive construction grants,

- $170 million in 50 NOAA habitat restoration grants, and

- $150 million in 67 EDA economic adjustment assistance grants.

Each of these agencies fund some construction-related grants currently scheduled for completion after the September 30, 2013 deadline—or have projects that will likely require extensions beyond September 30, 2013, based on their current rate of project completion. Agencies are working with their recipients to accelerate project completion when possible.

Based on our review of agencies' progress reports, there are still some projects lagging behind schedule (as reported by NOAA). For example:

- The building of the NOAA ship Reuben Lasker (an $87 million project using $80 million in Recovery Act funds) has experienced significant construction delays that will prevent the transit of the ship to the Atlantic Ocean prior to the winter closure of the St. Lawrence Seaway. In addition to the construction delays, the ship has had difficulty meeting the acoustic quieting performance requirements of the contract.

- The La Jolla Southwest Science Center in California (an $85 million project using $79 million in Recovery Act funds) is currently 90 days behind schedule—and the government is currently in dispute with the contractor as to whether the fault of the delay lies with the contractor or the government. If it is found that the government is at fault, the cost of project completion will also increase.

- The High Performance Computer Center (with research occurring at Oak Ridge National Laboratory, Tennessee, and development in Fairmont, West Virginia) had a 2-month construction delay attributable to Fairmont facility renovation. Concurrently, there was also a delay in the delivery of computer chips to the Oak Ridge Laboratory. The High Performance Computer Center's total cost is $170 million.

Along with NOAA, our office will continue to monitor these projects through their completion.

In our ongoing work on NIST construction grants, we focus on the low completion rates of several projects, which risk meeting federally mandated deadlines. During our field work, we found that at least 4 of the 16 projects scheduled for completion by September 30, 2013— according to grant award documents—will probably not meet this completion date based on the estimated number of construction days required to complete the project. NIST's construction grants program is relatively new (prior to the Recovery Act, it had awarded only three grants) and has experienced many new-program setup challenges.

Summary of OIG Recovery Act Oversight

In our March 2, 2009, *Initial Oversight Plan for the American Recovery and Reinvestment Act of 2009* we outlined the key elements of our oversight framework:

- dedicated Recovery Act staffing;

- targeted risk-based audit and investigative planning and expedited reporting;

- participation (in an advisory capacity) in Department steering committee and working groups; and

- training for potential applicants, awardees, contractors, and Department personnel on internal controls, compliance, and fraud awareness.

Our audit plan targeted the highest-risk programs and activities with more oversight. To implement this plan, our oversight has included tracking of program progress and reporting, performing training and outreach, and conducting specific reviews. As BTOP represents the Department's largest amount of Recovery Act funds and the riskiest of the projects, we have placed much of our focus on this program.

Since the passage of the Recovery Act, we have:

- *issued 15 audits and evaluations* providing recommendations to improve program operations in the areas of operational efficiency, compliance with Recovery Act requirements and OMB guidelines, and internal controls for monitoring project progress (see appendix A); and

- *performed over 100 separate training and fraud prevention sessions* for about 5,500 program officials and potential grant recipients—on topics such as fraud awareness, lessons learned for first-time award recipients, and the importance of monitoring subrecipients of grant funds (see appendix B).

We have received and processed numerous complaints—and, for some, we have opened investigations. For instance: based on a referral from the Recovery Accountability and Transparency Board, we investigated a company that was awarded numerous federal contracts, including several NIST contracts funded by the Recovery Act. The firm had pled guilty in March 2008 to a criminal charge involving export regulations. Our subsequent investigation found that company personnel inaccurately certified to federal contracting offices that the firm had not been convicted of a crime or had a civil judgment against it within 3 years preceding the certification. During the period covered by these certifications, the company obtained 276 contracts from 16 agencies—totaling nearly $20 million. Based on our findings, the company was initially suspended from future contracting and recently entered into a corporate compliance agreement as an alternative to debarment.

Currently we are performing reviews of NIST's oversight of Recovery Act construction grants, BTOP grantees' $1.4 billion matching share (that portion of project costs not borne by the federal government), and NTIA's monitoring of the Booz Allen Hamilton contract for support

of the BTOP program. (The total contract value was $99 million, of which $75 million will be exercised). We are also reviewing complaints against a BTOP award that benefits the San Francisco Bay Area. Finally, we monitor each quarter the recipient reporting results and the progress of the projects that represent higher risk for completion or meeting program goals. For FY 2012, we plan to initiate a review of available Recovery Act funds in interagency agreements and memorandums of understanding involving NOAA and NTIA. Other planned FY 2012 reviews include the monitoring of BTOP subrecipients, acquisition of BTOP project equipment, and sustainability for BTOP-funded projects.

Lessons Learned Include the Value of Up-Front Planning and Timely Data Analysis by Agencies

Agency practices for administering Recovery Act funds that have added significant value include:

- Anticipating internal control issues and addressing recurring audit findings from similar grant programs;

- Setting up adequate program policies, procedures, and staffing before soliciting and awarding grants and contracts (to avoid problems in completing complex construction and technology projects); and

- Close monitoring of grant and contract activities—including spending and performance outcomes—to ensure program goals are met.

We raised early concerns about balancing the timeliness of making awards while ensuring compliance with program requirements and legislative intent in our May 8, 2009 *Commerce Experience with Past Relief and Recovery Initiatives Provides Best Practices and Lessons Learned on How to Balance Expedience with Accountability*. In that report, we noted how adequately staffed quality control and quality-assurance programs within agencies are essential to the efficient and effective use of taxpayer dollars. Also, the 2005 *Guide to Opportunities for Improving Grant Accountability* issued by the Domestic Working Group Grant Accountability Project (sponsored by the Comptroller General of the United States, with participation by federal, state, and local audit organizations) states "[o]rganizations that award . . . grants need good internal control systems to ensure that funds are properly used and achieve intended results."

Our early Recovery Act reports emphasized the importance of addressing recurring audit findings from similar grant programs and setting up program policies and procedures.

- In March 2009, we reported that NTIA should apply lessons learned from the Public Safety Interoperable Communications Program to ensure sound management and timely execution of the $4.7 billion BTOP. Specifically, we cited the need to (1) evaluate and approve detailed project proposals and spend plans with peer reviews before making grant awards, (2) complete environmental assessments expeditiously, so as not to hinder grantees from completing their projects within mandated time frames, and (3) work with OMB to ensure adequate resources to manage the program operations beyond FY 2010.

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- In October 2009, our report on NIST and NOAA grants recommended that NOAA review prior audit reports and take actions to mitigate risks of making an award to an entity with known performance problems. We also recommended that the Department update how individual background screening was conducted to assure that grant awards were made to recipients that were responsible, competently managed, and committed to achieving award objectives.

- In May 2010, our report on monitoring Recovery Act program performance recommended that NIST and NOAA establish performance metrics to measure outcomes. Specifically, we recommended that performance metrics for their more significant Recovery Act programs should focus on intermediate outcomes that assess the programs' benefits. For example, performance metrics should track whether a program has improved the body of knowledge in a particular field, disseminated newly developed tools and models, supported research or technology innovation, or made advances in science and technology for the public's benefit.

- In November 2010, we reported our concern that a lack of oversight funding (and its impact on NTIA's oversight of the awards) substantially increases the risk of delay in grants projects—and jeopardizes the agency's ability to guard against waste, fraud, and abuse. We (1) encouraged NTIA to work with OMB and Congress to ensure adequate resources to administer the program and (2) recommended that they develop alternative approaches to monitoring and oversight based on different funding levels.

More than two and a half years after passage of the Recovery Act, the twin challenges of setting up new programs and the long lead time to complete construction projects has resulted in much of the Department's spending being incomplete. NTIA's BTOP provides an example of the challenges encountered with setting up a new program. BTOP has had to confront a number of challenges, including staffing a program office, implementing new systems, developing grant program rules and regulation, coordinating development of activities with other departments and agencies (such as the Department of Agriculture and Federal Communications Commission), awarding grants, and performing effective oversight activities.

Oversight of BTOP is complicated because (1) the awards went to a diverse group of recipients that included public entities, nonprofit organizations, tribal entities, and for-profit corporations with varying levels of experience in administering federal awards, and (2) NTIA must require the projects be completed within 3 years of grant award issuance. Timely completion of infrastructure projects (e.g., laying new fiber optic cables or upgrading wireless towers) poses a particular challenge as most of these require site preparation, construction, or ground disturbing activity. For example: of approximately 230 total awards, 118 made as of September 30, 2010 (representing nearly $3.2 billion in BTOP awards), required completed environmental assessments before permitting significant project progress such as construction. Many of the environmental assessments have taken longer than the 6 months planned. As of September 30,

2011, 12 award recipients still had outstanding environmental assessments or special award conditions,[3] totaling approximately $500 million in federal funds.

Some of the Department's science-related Recovery Act-funded projects have faced spending challenges. Because of (1) the complex nature of many of these science and science-related projects, (2) delays that some projects have encountered, and (3) OMB guidelines that necessitate funds be spent by September 30, 2013, the Recovery Act requires close monitoring of these projects by the agencies and continued oversight by our office. Despite the slower pace at which science and science-related spending has occurred, the Department's Recovery Act-funded programs represent a promising mix of new programs and continued vital support of projects that advance the United States' role as a world leader in science and technology.

Mr. Chairman and members of the subcommittee, this concludes my statement and I would be happy to answer questions at this time.

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[3] As of November 7, 2011, NTIA reported that 10 award recipients still had outstanding environmental assessments or special award conditions totaling approximately $445 million.

APPENDIX A
Department of Commerce OIG Recovery Act-Related Reports, Testimony, Works in Progress, and Audits Planned

Recovery Act-Related Reports

- NTIA Has an Established Foundation to Oversee BTOP Awards, But Better Execution of Monitoring is Needed: OIG-012- 013-A, (November 2011)

- Commerce Has Procedures in Place for Recovery Act Recipient Reporting, but Improvements Should Be Made: OIG-11-031-A (July 2011)

- Review of BTOP Award for the San Francisco Bay Area Wireless Enhanced Broadband (BayWEB) Project: OIG-11-024-A (May 2011)

- 2010 Census: Cooperation Between Partnership Staff and Local Census Office Managers Challenged by Communication and Coordination Problems: OIG-11-023-I (April 2011)

- Commerce Needs to Strengthen its Improper Payment Practices and Reporting: OIG-11-021-A (March 2011)

- Broadband Program Faces Uncertain Funding, and NTIA Needs to Strengthen its Post-Award Operations: OIG-11-005-A (November 2010)

- Review of Recovery Act Contracts and Grants Workforce Staffing and Qualifications at Department of Commerce: ARR-19900 (September 2010)

- NIST & NOAA Monitor Their Recovery Act Programs, but Performance Metrics Need to Measure Outcomes: ARR-19881 (May 2010)

- NTIA Must Continue to Improve its Program Management and Pre-Award Process for its Broadband Grants Program: ARR-19842-1 (April 2010)

- Review of Contracts and Grants Workforce Staffing and Qualifications in Agencies Overseeing Recovery Act Funds (March 2010)

- More Automated Processing by Commerce Bureaus Would Improve Recovery Act Reporting: ARR-19779 (December 2009)

- Commerce Has Implemented Operations to Promote Accurate Recipient Reporting, but Improvements Are Needed: ARR-19847 (October 2009)

- Improvements Recommended for Commerce Pre-Award Guidance and NIST and NOAA Processes for Awarding Grants: ARR-19841 (October 2009)

- Commerce Experience with Past Relief and Recovery Initiatives Provides Best Practices and Lessons Learned on How to Balance Expediency with Accountability: ARR-19692 (May 2009)

- NTIA Should Apply Lessons Learned from Public Safety Interoperable Communications Program to Ensure Sound Management and Timely Execution of $4.7 Billion Broadband Technology Opportunities Program: ARR-19583 (March 2009)

Recovery Act-Related Testimony

- IG's Testimony on Recovery Act Broadband Spending: Subcommittee on Communications and Technology, House Committee on Energy and Commerce (February 2011)

- IG's Testimony on FY 2012 Commerce Appropriations/Top Management Challenges: Appropriations Subcommittee on Commerce, Justice, Science, and Related Agencies, House Committee on Appropriations (February 2011)

- IG's Testimony on Recovery Act Oversight: Subcommittee on Investigations and Oversight, House Committee on Science and Technology (March 2009)

Recovery Act-Related Audits and Reviews in Progress

- Further Review of Complaints Made Against a BTOP Award to the Bay Area

- Announcement of Audit of Broadband Technology Opportunities Program, Booz Allen Hamilton Contract

- Announcement of Review of NTIA Broadband Technology Opportunities Program (BTOP) Grantees' Match

- Announcement of Review of NIST's Oversight of Recovery Act Construction Contracts (Maintenance, Renovation, Construction of New Facilities and Labs)

- Announcement of Review of NIST's Oversight of Recovery Act Construction Grants (Research Science Buildings)

Recovery Act-Related Audits Planned

- Review of Available American Recovery and Reinvestment Act (ARRA) Funds in Interagency Agreements and Memorandums of Understanding

- Acquisition of Equipment for Broadband Technology Opportunity (BTOP) Projects

- Review of Subrecipient Monitoring Efforts

- Review of Sustainability Issues for BTOP Projects

APPENDIX B
Recovery Act Training Delivered by Department of Commerce OIG, as of September 30, 2011

As of September 30, 2011, OIG's Recovery Act Task Force and Office of Investigations have conducted more than 100 onsite and video training sessions and briefings related to the mitigation of fraud, waste, abuse, and mismanagement of Recovery Act funding. This extensive national effort has reached a combined audience of more than 5,500 Department employees involved in procurement, grants, and programs—as well as current and potential recipients of Recovery Act grants from five of the Department's bureaus (EDA, Economic and Statistics Administration/Census, NIST, NOAA, and NTIA).

The five training topics developed and delivered by OIG staff addresses grants and contract management and fraud prevention. Two others—construction cost estimating and suspension and debarment—were created and presented by private contractors. In addition to their focus on transparency and accountability, all briefings emphasize whistleblower protections and encourage reporting to OIG concerns about the use of Recovery Act funds.

Training	Number of Events	Attendees Trained	Hours of Training Provided
BTOP	50	2,701	2,871
Fraud Prevention	44	1,669	2,144
Grants	11	244	478
IG Outreach	7	830	1,030
Contracts	4	78	156
Construction Cost Estimating	2	34	322
Suspension and Debarment	1	38	228
Total Inception to Date	*119*	*5,594*	*7,229*

APPENDIX C
Department of Commerce OIG Recovery Act Funding[a]

Agency	Amount	Purpose (from Joint Explanatory Statement)
EDA	**$150,000,000**	Leverage private investment, stimulate employment and increase incomes in economically distressed communities.
	$50,000,000	Economic Adjustment Assistance to help communities recover from sudden and severe economic dislocation and massive job losses due to corporate restructuring.
	$50,000,000	May be transferred to federally authorized, regional economic development commissions.
Census	**$1,000,000,000**	To hire additional personnel, provide required training, increase targeted media purchases, and improve management of other operational and programmatic risks.
	$250,000,000	Up to $250,000,000 shall be for partnership and outreach efforts to minority communities and hard-to-reach populations.
NTIA	**$4,700,000,000**	BTOP, to be available until September 30, 2010. For competitive grants to accelerate broadband deployment in unserved and underserved areas and to strategic institutions that are likely to create jobs or provide significant public benefits.
	$350,000,000	To establish the State Broadband Data and Development Grant program, as authorized by Public Law 110-385 and for the development and maintenance of a national broadband inventory map as authorized by division B of this Act.
	$200,000,000	For competitive grants for expanding public computer center capacity.
	$250,000,000	For competitive grants for innovative programs to encourage sustainable broadband adoption.
OIG	$10,000,000	To be transferred to the Department of Commerce OIG for audits and oversight of funds provided under this heading.
NTIA	**$650,000,000**	For additional implementation and administration of the digital-to-analog converter box coupon program, including additional coupons to meet new projected demands and consumer support, outreach and administration.
	$90,000,000	Of the amounts provided, up to $90,000,000 may be use for education, and outreach to vulnerable populations including one-on-one assistance for converter box installation.
NIST		
Scientific and Technical Research and Services	**$220,000,000**	For research, competitive grants, additional research fellowships and advanced research and measurement equipment and supplies.
	$20,000,000	Provided by transfer from the Health Information Technology (HIT) initiative within this Act. For HIT activities, NIST is directed to create and test standards related to health security and interoperability in conjunction with partners at the Department of Health and Human Services.
	$10,000,000[b]	Provided to implement section 1305 of Public Law 110–140 Energy Independence and Security Act of 2007. SEC. 1305. SMART GRID INTEROPERABILITY FRAMEWORK. The Director of NIST shall have primary responsibility to coordinate the development of a framework that includes protocols and model standards for information management to achieve interoperability of smart grid devices and systems.
Construction of Research Facilities	**$360,000,000**	To address NIST's backlog of maintenance and renovation and for construction of new facilities and laboratories.
	$180,000,000	Of the amounts provided, $180,000,000 shall be for the competitive construction grant program for research science buildings, including fiscal year 2008 and 2009 competitions.
NOAA		
Operations, Research, and Facilities	**$230,000,000**	To address a backlog of research, restoration, navigation, conservation and management activities.
Procurement, Acquisition, and Construction	**$600,000,000**	For construction and repair of NOAA facilities, ships and equipment, to improve weather forecasting and to support satellite development.
	$170,000,000	Of the amounts provided, $170,000,000 shall address critical gaps in climate modeling and establish climate data records for continuing research into the cause, effects and ways to mitigate climate change.
OIG	**$6,000,000**	To remain available until September 30, 2013.

[a] NTIA's Digital TV Transition and Public Safety program (DTV) rescissions totaled $240 million; the BTOP rescission was $302 million. Transfers to other agencies include NOAA ($350 million) and NTIA ($195 million) transfers. Of the $545 million total in transfers, $18 million was returned to NOAA in unspent funds. [b] After February 2009, the Department of Energy added another $2 million to the $10 million it sent to NIST for smart grid activities.