



## DEPARTMENT OF COMMERCE

### Funding Highlights:

- Provides \$8.8 billion in discretionary spending, a decrease of \$5.1 billion from the 2010 enacted level. This reflects increased funding for the National Institute of Standards and Technology and continued strong support for the promotion of U.S. exports. Reductions are made to lower priority and low-performing programs.
- Invests in American innovation by providing \$764 million for the National Institute of Standards and Technology laboratories, \$75 million for the Technology Innovation Program, and \$12 million for Advanced Manufacturing Technology Consortia, and by strengthening the fee structure at the U.S. Patent and Trademark Office and reforming the patent process.
- Enhances American manufacturers' competitiveness by providing \$143 million to the Hollings Manufacturing Extension Partnership, which helps firms identify growth strategies and adopt more efficient manufacturing processes.
- Promotes American exports and export-related jobs by providing \$526 million for the International Trade Administration as it continues to implement the National Export Initiative.
- Fosters the next generation of wireless broadband by supporting efforts to make 500 megahertz of additional spectrum commercially available, providing substantial benefit to consumers and businesses across the Nation.
- Provides over \$10 billion of resources in mandatory spending, offset by spectrum auction proceeds, to help build an interoperable public safety broadband network that will strengthen economic growth and public safety, while benefitting from commercial innovation.
- Invests in regional economic competitiveness by providing \$325 million to the Economic Development Administration to support planning, capacity building and capital projects through programs such as the Regional Innovation Program authorized in the America COMPETES Reauthorization Act.
- Advances climate science and services to meet growing demands from the public and private sector for credible and timely products that aid in planning for and responding to climate variability and change.
- Sustains critical satellite programs to monitor the Earth's weather and climate and improve forecasting for severe weather events to protect public safety. Supports fisheries stock assessments and economic development that contributes to sustainable fishing industries and coastal communities. Sustains support for the President's National Ocean Policy and research programs.

- Strengthens support for the Census Bureau's economic and household data collection to help improve private- and public-sector decision-making.
- Creates savings by ramping down the 2010 Decennial Census.
- Reduces funding for non-essential programs such as the Emergency Steel Loan Guarantee program, the Public Telecommunications Facilities Grant program, and the Baldrige Performance Excellence program.

The Department of Commerce has a broad mandate to promote economic growth and foster job creation for the American people. It has cross-cutting responsibilities in the areas of trade, technology, entrepreneurship, economic development, environmental stewardship, and statistical research and analysis. To support this important work, the President's Budget proposes \$8.8 billion in discretionary funding for the Department of Commerce, a decrease of \$5.1 billion from the 2010 enacted level. In addition to planned reductions due to the completion of the 2010 Decennial Census, other key reductions include outdated or lower priority programs: the Emergency Steel Loan Guarantee program; Trade Adjustment Assistance for Firms; certain statistical reports produced by the Census Bureau; the Public Telecommunications Facilities Grant program; and the Baldrige Performance Excellence program, as well as administrative savings. Yet, since innovation and exports are critical to long-term economic growth and competitiveness, there is more than a \$100 million increase for the National Institute of Standards and Technology (NIST), and strong funding for the promotion of U.S. exports. Substantial new mandatory funding is provided to support the President's Wireless Innovation and Infrastructure Initiative, including development of a national public safety broadband network. The National Oceanic and Atmospheric Administration's (NOAA) critical weather satellites, which promote more accurate forecasts that serve families and businesses nationwide, are also sustained.

### ***Boosts American Competitiveness***

**Fosters American Innovation.** The Administration proposes \$764 million for NIST

laboratories as part of the President's Plan for Science and Innovation, which is more than \$100 million above the 2010 enacted level and consistent with the President's plan to double funding for key basic research agencies. This funding will accelerate the discovery, development and deployment of a wide variety of new technologies, ranging from nanotechnology and cybersecurity advances to interoperable and secure Smart Grid devices. The Budget also includes \$12 million for the Advanced Technology Consortia program, a new public-private partnership that will develop road maps for research that will broadly benefit the Nation's industrial base. In addition, the Administration proposes to reform the patent system to accelerate innovation and provide greater certainty to businesses. The Budget proposes to give the U.S. Patent and Trademark Office (USPTO) full access to its fee collections and strengthens USPTO's efforts to improve the speed and quality of patent examinations through a temporary fee surcharge that will better align application fees with processing costs.

**Enhances the Competitiveness of American Manufacturers.** The Administration proposes \$143 million for the Hollings Manufacturing Extension Partnership, which helps U.S. manufacturers identify growth and innovation strategies and adopt more efficient manufacturing processes. In combination with advanced manufacturing support from NIST, the Budget will improve U.S. manufacturers' ability to compete globally.

**Promotes American Exports.** The President has set the goal of doubling American exports over five years. To that end, the Administration proposes \$526 million for the International Trade Administration (ITA) to continue

implementation of the National Export Initiative, a broader Federal strategy to increase American exports and export-related jobs. With this funding, ITA can strengthen its efforts to promote exports from small businesses; help enforce international free trade agreements; fight to eliminate barriers to sales of U.S. products; and improve the competitiveness of U.S. firms.

**Invests Spectrum Receipts to Build a Public Safety Broadband Network, Expand Wireless Broadband to Rural America, and Promote Cutting-edge Wireless Technologies.** In support of the Wireless Innovation and Infrastructure Initiative, the Budget proposes \$7 billion of mandatory funding over the next several years to help build an interoperable public safety broadband network and provides additional spectrum (the “D block” of spectrum in the 700 megahertz band) for public safety use. This spectrum is currently valued at \$3.2 billion, making the total commitment for the public safety network over \$10 billion. Building upon the recommendations of the National Commission on Terrorist Attacks Upon the United States, this effort will enhance public safety by providing the Nation’s first responders modern and efficient communications capabilities while allowing the network to benefit from commercial innovation. In addition to funding provided directly to the Department of Commerce, the President’s Budget will provide \$5 billion to help expand next generation wireless broadband networks in rural America. This investment will complement the Federal Communications Commission’s efforts to reorient its Universal Service Fund towards broadband support. Finally, the President’s Budget allocates \$3 billion of spectrum receipts to a Wireless Innovation Fund, to help develop and promote cutting-edge wireless technologies to advance public safety, Smart Grid, telemedicine, distance learning, and other broadband capabilities and to facilitate spectrum relocation. This funding will support efforts in a variety of agencies, including the Departments of Defense and Commerce and the National Science Foundation.

The President’s Wireless Innovation and Infrastructure Initiative also proposes to

reallocate Federal agency and commercial spectrum bands using auctions that are expected to raise more than \$27 billion over the next 10 years, in order to expand access to wireless broadband nationwide. Up to 500 megahertz of spectrum will be repurposed over the coming decade, which will greatly facilitate access for smart phones, portable computers, and innovative technologies that are on and over the horizon.

**Enhances Regional Economic Competitiveness.** Competitive regional economies are the building blocks of national growth. The Administration supports growth strategies based on stronger regional clusters of economic activity, better planning, commercialization of research and development, and catalytic capital projects through the \$325 million provided for the Economic Development Administration (EDA). This includes funds to implement the recently enacted America COMPETES Reauthorization Act, including aid to businesses and regions through the Regional Innovation Program and financing for science and research parks. EDA will also support the Administration’s proposal to make competitive awards for Growth Zones, to bring market-based growth strategies and tax benefits to 20 new areas facing economic distress in urban and rural regions that have both strong potential for growth and significant need.

**Improves Weather Forecasting, Climate Monitoring, Fisheries Management, and Ocean Programs.** NOAA satellite coverage continuity is needed for monitoring weather and climate. To support this, the Budget provides \$1.9 billion to fund the development and acquisition of NOAA’s polar-orbiting and geostationary weather satellite systems, satellite-borne measurements of sea level and other climate variables, and other space-based observations. The Administration also increases the number and frequency of fisheries stock assessments which will help optimize the amount of sustainable fish harvests under legal mandates to help prevent overfishing. The Budget continues progress on the President’s National Ocean Policy with funding for competitive grants in support of regional ocean partnerships for improved coastal zone management, as well

as support for research on climate change and ocean acidification. Oil spill response is also a priority, and the Budget increases funding for the Integrated Ocean Observing System, mussel monitoring, and research to improve spill impact assessments. As part of its responsibilities for forecasting weather and climate, and supporting healthy coastal ecosystems, NOAA will participate in Federal, State, and local efforts to protect and restore our water resources.

**Strengthens Key Statistical Programs.**

The Administration proposes \$1 billion for the Census Bureau to complete tabulation of the 2010 Census data; improve the accuracy of the American Community Survey; and support a continuous update process of the Census Bureau's geospatial and address data, which is expected to produce long-run cost savings. These initiatives will provide more accurate data for decision-makers at all levels of government and in the private sector. Funds are also provided to begin research that will lead to the development of a cost-effective and accurate 2020 Census. The Administration proposes additional funding for the Bureau of Economic Analysis to enhance the reliability of sensitive key economic data, including

the Gross Domestic Product. These measures will provide policymakers and the public more timely, detailed, and robust data on the state of the business and household sectors of the economy.

***Improves the Way Taxpayer Dollars are Spent***

**Cuts Waste by Terminating Non-Essential Programs.** The Department of Commerce supports a wide variety of programs aimed at spurring growth and competitiveness. As our economy evolves, so must these programs. The Budget proposes to reduce or eliminate funding for programs that are no longer necessary, such as the Emergency Steel Loan Guarantee program, or programs that are a lower priority in a difficult fiscal climate, including certain statistical reports produced by the Census Bureau, the Public Telecommunications Facilities Grant program, and the Baldrige Performance Excellence program. The Department has also committed to trimming its administrative costs by at least \$136 million through efficiencies in acquisitions, human capital, logistics, general administration, and information technology.

**Department of Commerce**  
(In millions of dollars)

	Actual 2010	Estimate	
		2011	2012
<b>Spending</b>			
Discretionary Budget Authority:			
Departmental Management			
Salaries and Expenses .....	59		65
Steel Loan Program .....	—		-43
Cybersecurity .....	—		23
HCHB Renovation .....	23		16
Office of the Inspector General .....	27		34
Subtotal, Departmental Management .....	109		95
Economic Development Administration (EDA)			
Salaries and Expenses .....	38		41
Economic Development Assistance Programs .....	255		284
Subtotal, Economic Development Administration .....	293		325
Bureau of the Census			
Salaries and Expenses .....	259		272
Periodic Censuses and Programs .....	6,966		753
<i>Decennial Census (non-add)</i> .....	6,751		498
Subtotal, Bureau of the Census .....	7,225		1,025
Economics and Statistics Administration .....	97		113
International Trade Administration (net) .....	447		517
Bureau of Industry and Security .....	100		111
Minority Business Development Agency .....	32		32
National Oceanic and Atmospheric Administration			
Operations, Research and Facilities .....	3,412		3,444
Procurement, Acquisition and Construction .....	1,360		2,053
Other Accounts .....	81		1
Subtotal, National Oceanic and Atmospheric Administration .....	4,853		5,498
Patent and Trademark Office			
Program level .....	1,887		2,706
Fees .....	-2,068		-2,706
Subtotal, Patent and Trademark Office .....	-181		—
National Institute of Standards and Technology (NIST)			
Scientific and Technical Research Services .....	521		681
Industrial Technology Services .....	195		238
<i>Technology Innovation Program (non-add)</i> .....	70		75
<i>Manufacturing Extension Partnership (non-add)</i> .....	125		143
Construction of Research Facilities .....	147		85
Subtotal, National Institute of Standards and Technology .....	863		1,004

**Department of Commerce—Continued**  
(In millions of dollars)

	Actual 2010	Estimate	
		2011	2012
<b>National Telecommunications and Information Administration (NTIA)</b>			
Salaries and Expenses .....	20		56
Public Telecomm. and Facilities Planning and Construction .....	20		—
Subtotal, National Telecommunications and Information Administration .....	40		56
All other .....	—6		—10
Total, Discretionary budget authority .....	13,872	9,003	8,766
<i>Memorandum:</i>			
Budget authority from supplementals .....	79	—	—
Total, Discretionary outlays .....	13,132	11,295	11,267
<b>Mandatory Outlays:</b>			
Digital Television Transition and Public Safety Fund .....	31	390	255
Wireless Innovation and Infrastructure Initiative (DOC portions):			
Legislative proposal .....	—	—	1,447
Public Safety Broadband Network (NTIA)(non-add) .....	—	—	1,400
Wireless Innovation Fund:			
Public Safety Innovation Fund (NIST) (non-add) .....	—	—	27
Economic Development Assistance Programs (EDA) (non-add) .....	—	—	20
All other DOC mandatory programs .....	84	200	173
Total, Mandatory outlays .....	115	590	1,875
Total, Outlays .....	13,247	11,885	13,142
<b>Credit activity</b>			
<b>Direct Loan Disbursements:</b>			
Fisheries Finance Direct Loan Financing account .....	90	45	52
Total, Direct loan disbursements .....	90	45	52
<b>Guaranteed Loan Disbursements:</b>			
Economic Development Assistance Programs account .....	—	—	45
Total, Guaranteed loan disbursements .....	—	—	45