



DEPARTMENT OF COMMERCE

Funding Highlights:

- Provides \$8 billion for Commerce programs through regular appropriations, an increase of 5 percent, or approximately \$380 million above the 2012 level. This reflects continued strong support for key drivers of job creation, innovation, and the promotion of U.S. exports, as well as investments in critical satellite programs. Reductions are made to administrative costs and grant programs that overlap with activities funded elsewhere.
- Reduces administrative costs across bureaus to focus funding on core missions, and makes tough fiscal choices by reducing funding for public works and coastal habitat grants that overlap with other Federal programs.
- Enhances the competitiveness of U.S. manufacturers by providing \$708 million for the National Institute of Standards and Technology laboratories, \$128 million in the Hollings Manufacturing Extension Partnership, and \$21 million for Advanced Manufacturing Technology Consortia, to develop measurements, standards, and technologies to support advanced manufacturing, robotics, nanotechnology, and cybersecurity.
- Increases resources for the U.S. Patent and Trademark Office, which will continue on its path to accelerate patent processing and improve patent quality.
- Promotes U.S. exports and export-related jobs by providing \$517 million for the International Trade Administration, to better promote American exports in key markets abroad and improve trade enforcement; and for SelectUSA, to strengthen efforts to attract investment capital to the United States.
- Provides over \$5 billion for the National Oceanic and Atmospheric Administration, an increase of approximately \$160 million, to support critical weather and climate satellite programs and the agency's core responsibilities for environmental science and stewardship, including implementation of the National Ocean Policy.
- Provides over \$10 billion of mandatory budget resources to help build an interoperable public safety broadband network that will strengthen economic growth and public safety, while benefitting from commercial innovation. These costs are fully offset by proceeds from auctioning spectrum that will be used to expand wireless broadband access and services.

- Invests in regional economic competitiveness by providing \$220 million to the Economic Development Administration to support innovative planning, capacity building, and capital projects.
- Sustains critical economic and household data collection activities, such as the 2012 Economic Census and the American Community Survey, to inform private and public sector decision-making.

The Department of Commerce has a wide range of missions in the areas of international trade and domestic economic development; technology and innovation; demographic and economic statistics; and environmental science, stewardship and weather forecasting. As a group, these missions focus on expanding the American economy and job creation as well as providing critical environmental information. While there are tight constraints on discretionary spending, the President's 2013 Budget supports core functions in these areas by providing \$8 billion for Commerce programs. This represents an increase of approximately \$380 million from the 2012 level. Specifically, strong support is provided for critical satellite programs and public safety communications as well as trade promotion and enforcement. At the same time, to free up resources, reductions are made to administrative costs and grant programs that overlap with funding available elsewhere.

Invests in America's Long-Term Growth and Competitiveness

Enhances U.S. Competitiveness and Fosters Innovation. The Administration proposes \$708 million for National Institute of Standards and Technology (NIST) laboratories as part of the President's Plan for Science and Innovation, \$86 million above the 2012 enacted level. NIST's work in developing measurements and technologies supports U.S. industry's ability to innovate and develop new products. This funding will accelerate advances in a variety of important areas, ranging from next-generation robotics and smart manufacturing to nanotechnology and

cybersecurity. The Budget includes \$21 million for a new Advanced Manufacturing Technology Consortia program, a public-private partnership that will support road maps and research to address common manufacturing challenges faced by private sector businesses. The Budget also proposes to provide the U.S. Patent and Trademark Office (USPTO) full access to its fee collections, which will support a program level of \$2.95 billion or nearly \$250 million more than in 2012, while strengthening USPTO's efforts to improve the speed and quality of patent examinations.

Promotes American Exports. The President has set the goal of doubling American exports by the end of 2014. To that end, the Administration proposes \$517 million for the International Trade Administration (ITA) to continue to implement the National Export Initiative, a broad Federal strategy to increase U.S. exports and export related jobs. This funding will allow ITA's to increase its export promotion efforts in key, growing markets abroad, strengthen trade enforcement, and support the activities of SelectUSA, which helps attract investment capital to the United States that creates jobs.

Sustains Satellites Used for Weather Forecasting and Climate Monitoring. The Budget provides \$1.8 billion to continue the development and acquisition of the National Oceanic and Atmospheric Administration's (NOAA's) polar-orbiting and geostationary weather satellite systems, as well as satellite-borne measurements of sea level and potentially damaging solar storms. These satellites are critical to NOAA's ability to

provide accurate weather forecasts and warnings that help to protect lives and property.

Prioritizes Science and Stewardship Missions. The Budget provides an increase for NOAA's National Marine Fisheries Service and targets spending on data collection and stock assessments. Overfishing and resulting restrictions can be avoided with adequate stock assessments, and these funds will lead to more accurate data for our Nation's fisheries. The Budget will also improve the accuracy of regional projections of sea level rise and climate change and accelerate the implementation of the National Ocean Policy through multi-purpose integrated ecosystem assessments.

Invests Spectrum Proceeds to Build a Public Safety Broadband Network and Increase Wireless Access. As proposed in the American Jobs Act, the Budget supports a National Wireless Initiative that would provide \$10 billion in total resources from spectrum auction proceeds to help build an interoperable public safety broadband network. The initiative includes \$7 billion in funding for development and construction of the network, and additional spectrum valued at over \$3 billion (the "D block" of spectrum in the 700 megahertz band) for public safety use. Within the \$7 billion, up to \$300 million will be provided for a Wireless Innovation Fund to develop technologies and a standards framework for interoperable first responder communications. Building upon the recommendations of the National Commission on Terrorist Attacks Upon the United States, this effort will enhance public safety by providing America's first responders modern and efficient communications capabilities while allowing the network to benefit from commercial innovation. The National Wireless Initiative also proposes to reallocate Federal agency and commercial spectrum bands to greatly increase wireless broadband access and innovation opportunities nationwide using auctions, and to authorize use of a spectrum license user fee for licenses

not allocated via auctions to promote efficient utilization of spectrum. Together, these proposals are expected to reduce the deficit by \$21 billion over the next 10 years.

Enhances Regional Economic Competitiveness. The Budget provides \$220 million, a reduction of \$38 million from the 2012 enacted level, to the Economic Development Administration (EDA). The Budget supports economic development planning and projects that catalyze entrepreneurship and innovation at the regional scale, but conserves resources by trimming the amount requested for traditional public works projects, which are often funded using tax-free bonds or other Federal programs.

Sustains Statistical Programs and Core Data Products. Commerce provides policymakers, businesses, and the public critical economic and household data to inform decision-making. The Budget proposes \$970 million for the Census Bureau to implement activities including the 2012 Economic Census data collection; conduct the American Community Survey; and analyze the integrity of the 2010 Decennial Census and research improvements for the 2020 Census. Funding for the Bureau of Economic Analysis supports reliable and timely economic data, including Gross Domestic Product estimates that are among America's most closely-watched economic indicators.

Reforms the U.S. Export Control System. The Budget provides the Bureau of Industry and Security with \$102 million to sustain export licensing and enforcement activities, including \$6 million to meet its increased responsibilities under the Administration's Export Control Reform Initiative. Continued progress of the Reform Initiative will advance our national security and economic competitiveness by better focusing U.S. controls on transactions to destinations or end users of concern while facilitating secure trade for controlled items with U.S. allies and close partners.

Makes Tough Cuts

Terminates Non-Essential Programs. The Department supports a wide variety of programs aimed at spurring growth and competitiveness, and as our economy evolves, so must these programs. The Budget proposes to reduce funding for EDA grant programs, such as the Public Works program and the Global Climate Change Mitigation Incentive Fund, that overlap with programs in other agencies. The Budget reduces funding for conservation grants that are similar to programs in other agencies.

Cuts Administrative Costs. The Department will trim its administrative costs by at least \$34 million through efficiencies in acquisitions, human capital, logistics, general administration, and information technology. This builds on savings of \$142 million that the Department is implementing in 2012, for a total annual reduction of \$176 million annually beginning in 2013.

Department of Commerce (In millions of dollars)

	Actual 2011	Estimate	
		2012	2013
Spending			
Discretionary Budget Authority:			
Departmental Management			
Salaries and Expenses	58	57	56
Steel Loan Program	-48	-1	—
HCHB Renovation	15	5	2
Office of the Inspector General	27	30	31
Subtotal, Departmental Management	52	91	89
Economic Development Administration (EDA)			
Salaries and Expenses	38	38	38
Economic Development Assistance Programs	246	220	182
Subtotal, EDA	284	258	220
Bureau of the Census			
Salaries and Expenses	258	253	259
Periodic Censuses and Programs	-894	689	711
Subtotal, Bureau of the Census	-686	887	970
Economics and Statistics Administration	97	96	100
International Trade Administration	444	455	517
Bureau of Industry and Security	103	101	102
Minority Business Development Agency	30	30	29

Department of Commerce—Continued
(In millions of dollars)

	Actual 2011	Estimate	
		2012	2013
National Oceanic and Atmospheric Administration			
Operations, Research and Facilities	3,245	3,131	3,161
Procurement, Acquisition and Construction	1,400	1,816	1,966
Other Accounts	82	67	52
Subtotal, National Oceanic and Atmospheric Administration.....	4,727	5,014	5,179
Patent and Trademark Office			
Program Level	2,016	2,705	2,951
Fees	-2,225	-2,706	-2,953
Subtotal, Patent and Trademark Office	-209	-1	-2
National Institute of Standards and Technology (NIST)			
Scientific and Technical Research Services.....	502	577	651
Industrial Technology Services.....	182	128	149
Advanced Manufacturing Technology Consortia (non-add).....	—	—	21
Manufacturing Extension Partnership (non-add).....	128	128	128
Construction of Research Facilities.....	70	56	60
Subtotal, NIST.....	754	761	860
National Telecommunications and Information Administration (NTIA)			
Salaries and Expenses	43	46	47
Rescissions	-5	-5	—
Subtotal, NTIA.....	38	41	47
Subtotal, Discretionary budget authority	5,629	7,726	8,109
Discretionary Changes in Mandatory Programs (non-add in 2012): ¹			
Promotion and Development of Fisheries		-103	-119
Digital Television and Public Safety Fund		-4	—
All other.....		-6	—
Subtotal, Discretionary changes in mandatory programs.....		-113	-119
Total, Discretionary budget authority	5,629	7,726	7,990
Discretionary Cap Adjustment: ²			
Disaster Relief.....	—	200	—
Total, Discretionary outlays.....	9,579	10,856	9,533
Mandatory Outlays:			
Digital Television Transition and Public Safety Fund	334	309	5
National Wireless Initiative Legislative Proposal ³			-923

Department of Commerce—Continued
(In millions of dollars)

	Actual 2011	Estimate	
		2012	2013
All other			
Existing law	28	162	172
Legislative proposal			208
Total, Mandatory outlays.....	362	471	-538
Total, Outlays	9,941	11,327	8,995
Credit activity			
Direct Loan Disbursements:			
Fisheries Finance Direct Loan Financing account	56	90	58
Total, Direct loan disbursements	56	90	58
Guaranteed Loan Disbursements by Private Lenders:			
Economic Development Assistance Programs account.....	—	65	39
Total, Guaranteed loan disbursements by private lenders	—	65	39

¹ The 2012 amounts reflect OMB's scoring of the 2012 Appropriations acts (P.L. 112-55 and 112-74) as transmitted to the Congress. These amounts are displayed as non-add entries because they have been rebased as mandatory and are not included in any 2012 discretionary levels in the 2013 Budget.

² The Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011, limits—or caps—budget authority available for discretionary programs each year through 2021. Section 251(b)(2) of BBEDCA authorizes certain adjustments to the caps after the enactment of appropriations.

³ Outlays are negative for this initiative because incoming receipts are expected to be greater than outlays in 2013.