



## DEPARTMENT OF COMMERCE

### Funding Highlights:

- Provides \$8.6 billion for the Department of Commerce, an increase of \$1 billion over the 2012 enacted level.
- Increases key investments in research and development to lay the foundation for economic expansion and accelerates advances in manufacturing through targeted research, technical assistance, and support for manufacturing consortia.
- Enhances the competitiveness of U.S. manufacturers by providing \$1 billion in mandatory funding to create a network of up to 15 manufacturing institutes across the Nation and creates a \$113 million Investing in Manufacturing Communities Fund to provide targeted financial assistance for about five manufacturing communities that have developed comprehensive strategies to strengthen their manufacturing potential.
- Provides \$754 million for the National Institute of Standards and Technologies laboratories to accelerate advances ranging from cybersecurity to advanced manufacturing, a \$25 million increase for the Hollings Manufacturing Extension Partnership to assist manufacturers in adopting new technologies to improve their competitiveness, and \$21 million for the Advanced Manufacturing Technology Consortia to develop road maps that would address common challenges faced by manufacturers.
- Supports continued development of BusinessUSA, a one-stop site for Federal information useful to businesses, including export and business development assistance.
- Supports trade enforcement and promotion activities, invests in underserved markets and regional economic development, and encourages greater investment in the United States through targeted funding increases.
- Increases funding for the National Oceanic and Atmospheric Administration to strengthen support for critical weather satellite programs, Earth observations, and the bureau's other core science and stewardship responsibilities.
- Advances the Administration's efforts to make additional spectrum available for commercial use and improve first responder communication capabilities.
- Continues to support the U.S. Patent and Trademark Office's efforts to accelerate and improve patent processing by providing full access to its fee collections.

- Sustains funding for critical economic and demographic data collection and statistics dissemination activities at the U.S. Census Bureau and the Bureau of Economic Analysis.

The Department of Commerce (Commerce) carries out a wide range of missions, from environmental science and stewardship, to statistical research, to technology and innovation, to domestic economic development and international trade. Overall, Commerce plays a critical role in promoting U.S. economic growth and providing vital environmental information. In total, the Budget provides Commerce with \$8.6 billion to support mission areas across its diverse bureaus. Key investments are made in areas such as export promotion and enforcement activities, development of weather satellites, and research and development to support long-term economic growth. At the same time, efficiency gains and reductions in lower-priority activities enable Commerce to achieve administrative savings.

### ***Invests in America's Long-Term Growth and Competitiveness***

**Strengthens U.S. Manufacturing and Innovation.** The Budget includes \$1 billion in mandatory funding to establish a national network of manufacturing innovation institutes that will develop cutting-edge manufacturing technologies and capabilities to propel the competitiveness of U.S. manufacturing. The Budget also includes \$113 million to create the Investing in Manufacturing Communities Fund, which will be invested in those regions that have created economic development strategies that build on the region's comparative advantages and leverage private-sector resources. These manufacturing investments will fund capital projects such as industrial parks and industry academic centers to promote long-term economic growth in the region in concert with other Federal economic development programs.

The Budget maintains the President's commitment to increase funding for key basic research agencies, including \$754 million for National Institute of Standards and Technology (NIST) laboratories as part of the President's Plan for Science and Innovation, \$131 million above the 2012 enacted level. This funding will accelerate advances in a variety of important areas, ranging from cybersecurity and smart manufacturing to advanced communications and disaster resilience. The Budget provides a \$25 million increase over the 2012 enacted level for the Hollings Manufacturing Extension Partnership to establish Manufacturing Technology Acceleration Centers that would assist manufacturers in adopting new technologies to improve their competitiveness. The Budget also includes \$21 million for the Advanced Manufacturing Technology Consortia program, a public-private partnership that will support road maps and research to address common manufacturing challenges faced by American businesses.

**Promotes American Exports and Investment in the United States.** The Budget proposes \$520 million for the International Trade Administration (ITA), a 14 percent increase over the 2012 enacted level, to support the fifth year of the National Export Initiative, a Government-wide strategy to double U.S. exports and add two million export-supported jobs by the end of 2014. Funding for ITA includes \$20 million for the Interagency Trade Enforcement Center, an interagency effort to address unfair trade practices and barriers, and \$20 million for SelectUSA, which promotes investment in the United States. Other funds support increased export promotion activities in underserved markets around the world and ITA's role in the Administration's BusinessUSA initiative, a one-stop shop to connect businesses with Federal Government resources more effectively and efficiently.

**Enhances Export Control Enforcement.**

The Budget includes \$112 million for the Bureau of Industry and Security to sustain export licensing and enforcement activities, as well as to support the bureau's ongoing work under the Administration's Export Control Reform (ECR) initiative. The \$11 million increase from the 2012 enacted level will support the bureau's expanded export licensing and export enforcement operations as controlled items shift from the State Department to the Commerce Department's jurisdiction. The Administration's continued efforts to implement the ECR 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.

**Promotes Regional Economic Development.**

The Budget includes \$125 million for the Economic Development Administration to support new regional economic development initiatives. As mentioned above, the Budget proposes to use \$113 million of these funds to support U.S. manufacturing with the Investing in Manufacturing Communities Fund. The Budget also proposes \$12 million to promote regional export strategies with the Regional Export Challenge. The Regional Export Challenge, a competitive grant program, will support those regions that develop and implement sustainable export action plans to proactively identify and support firms and sectors with the greatest export potential.

**Invests in Weather Forecasting Improvements.**

The Budget provides robust support for the National Weather Service, including increases for weather research, weather modeling, and supercomputing capacity to accelerate advancements in weather forecasting. The Budget also provides \$2 billion to continue the development 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.

**Strengthens Ocean and Coastal Science and Stewardship.**

The Budget includes significant investments in NOAA's ocean and coastal research and observing programs, while increasing support for habitat and species conservation activities that are essential to restoring and maintaining healthy, sustainable fisheries. Increased funding for NOAA's research and development and Earth Observations activities will enhance the agency's ability to detect, understand, and forecast global and ecosystem-scale changes and provide sound, science-based information to support decision making and help communities prepare for the consequences of a changing climate. The Budget also supports investments that promote well-coordinated ocean and coastal science and management activities.

**Builds on Efforts to Make Additional Spectrum Available and Improve Emergency Communications.**

The Middle Class Tax Relief and Job Creation Act of 2012 enacted Administration proposals to promote greater wireless broadband deployment by auctioning spectrum and then investing over \$7 billion of these proceeds in building a nationwide broadband network for first responders. In total, these actions are expected to contribute nearly \$17 billion to deficit reduction over the next 10 years. The Budget builds on this effort by proposing to authorize use of a spectrum license user fee for licenses not allocated via auctions, to promote efficient utilization of spectrum. This fee will raise nearly \$5 billion over the next 10 years. In addition, the Budget invests \$8 million to monitor spectrum use by Federal agencies in high-priority markets to identify opportunities for repurposing spectrum through auctions.

**Sustains Economic Data and Statistics Programs.**

The Budget provides \$1.1 billion for the Census Bureau and the Bureau of Economic Analysis (BEA) to collect economic and demographic data from businesses and households and to produce critical economic statistics. These

economic statistics, including gross domestic product, are monitored and used by fiscal and monetary policymakers and businesses in the United States and throughout the world. The Budget includes funding for the last year of the three-year research and testing phase for the 2020 Decennial Census and a BEA initiative that would provide new measures of foreign direct investment and service exports.

### ***Supports Evidence-Based Decision-Making and Achieves Efficiencies***

**Enhances Evaluation of Technical Assistance Programs.** In 2014, Commerce, along with the Small Business Administration and the Department of Agriculture, will continue to participate in an interagency group designed to evaluate the impact of Federal business technical assistance programs. Commerce will look at programs such as ITA's Foreign Commercial Service, with the goal of developing a standard methodology for measuring the impact of this type of technical assistance program across the Federal Government. Also, in response to a Presidential

Memorandum on Accelerating Technology Transfer and Commercialization, NIST is improving and expanding technology transfer metrics and goals to measure the extent that NIST research and development is contributing to the competitiveness of U.S. industry.

**Realizes Savings and Efficiencies.** The Budget achieves savings of approximately \$30 million in 2014 weather satellite development costs, with the potential for more savings over the life-cycle of these programs through reductions to overhead and savings in program content. Additionally, the Administration is taking specific actions to strengthen management of weather satellites, including enhancing satellite systems engineering expertise at NOAA and increasing oversight of these programs. Also, the Budget supports the Administration's Government-wide efforts to consolidate funding for several science, technology, engineering, and mathematics (STEM) programs into the Department of Education and the National Science Foundation, in order to support robust and visible initiatives in K-12 instruction, undergraduate education, and other educational programming.