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Senate Saves TIP and MEP, Boosts NOAA and NIST R&D

AAAS R&D Funding Update on Dept. of Commerce R&D
in FY 2009 Senate Appropriations

Highlights

- The Senate would award increases for all parts of the Department of Commerce R&D portfolio. The Senate would trim proposed increases for the intramural research activities of the National Institute of Standards and Technology (NIST) in order to save two extramural NIST programs from proposed elimination. NIST's Scientific and Technical Research Services (STRS) would see its R&D funding increase 6.2 percent to $409 million. The Senate would give **NIST's external Technology Innovation Program (TIP) $65 million in 2009 and the** non-R&D Hollings Manufacturing Extension Partnership (MEP) program $110 million, in contrast to Administration proposals to eliminate them.

- R&D in the National Oceanic and Atmospheric Administration (NOAA) would gain $52 million or 8.9 percent to $633 million in the Senate plan instead of a requested cut (see Table), primarily from the addition of earmarks but also because of program increases, especially in climate change research. Total Commerce R&D would gain 6.7 percent to $1.2 billion.

Commerce R&D in FY 2009 Senate Appropriations

On June 19, the Senate Appropriations Committee approved its version of the FY 2009 Commerce-Justice-Science appropriations bill (S 3182) providing funding for the Department of Commerce, the National Science Foundation (NSF), and the National Aeronautics and Space Administration (NASA), for consideration by the full Senate in July. The House approved its own version of the bill on June 25; full details of the House version will be available shortly. Both the House and Senate bills contain close to $57 billion in 2009 discretionary spending, $5 to $6 billion more than the current year and between $3 and $4 billion more than the President's request for these programs.

While the Bush Administration continues to propose substantial increases for the intramural laboratories at the National Institute of Standards and Technology (NIST) in Commerce at the expense of its extramural programs and other Commerce R&D, the Senate would, as in previous years, give increases to both the intramural and extramural parts of the NIST portfolio and also substantial increases to environmental R&D in the National Oceanic and Atmospheric Administration (NOAA). The President's budget proposes increases for key physical sciences research agencies as part of the American Competitiveness Initiative (ACI) to double funding for three key physical sciences agencies between 2006 and 2016, including the NIST laboratories, the DOE Office of Science, and the National Science Foundation. But in the President's budget, the NIST increases would go only to NIST's intramural laboratories and intramural construction, and would be offset by steep cuts in NIST's external programs.

The Senate would trim the requested increase for NIST's intramural research, but would still provide an increase over the current year in order to free up money for the extramural programs. NIST intramural research, performed in NIST facilities in Maryland and Colorado, would gain 6.2 percent to $409 million within the Scientific and Technical Research and Services (STRS) account. Construction funding for NIST research facilities appears to fall, but subtracting $30 million in 2008 funding that would go to extramural construction outside of NIST results in a $26 million increase in NIST construction from $69 million to $105 million in 2009 in the Senate plan. Congress added $30 million in 2008 to the normally intramural construction account specifically for new extramural laboratory facilities grants, to be awarded on a competitive basis to universities and other nonprofit research institutions performing R&D related to NIST

activities; applications for these grants are being accepted right now. The Senate would not renew this program in 2009; instead, there would be $44 million for non-R&D extramural earmarked projects for specific performers, bringing total Construction funding in the Senate to $149 million.

The Senate would move money from some of the proposed intramural increases over to the extramural side to save two NIST programs from proposed elimination. **NIST's extramural Technology Innovation Program (TIP) would receive $65 million in the Senate instead of zero.** The TIP was formerly the Advanced Technology Program (ATP) but was restructured, reauthorized, and renamed the Technology Innovation Program (TIP) in the August 2007 America COMPETES Act. The Senate would also save the non-R&D Hollings Manufacturing Extension Partnership (MEP) with a $110 million appropriation, instead of the $2 million request to close out the program. MEP is a program to operate a nationwide network of extension centers to disseminate better manufacturing technologies to small- and medium-sized manufacturers on a cost-shared basis with state governments and with users. Congress has repeatedly saved these two programs from elimination, and is set to do so again in the 2009 appropriations season.

The total NIST budget of $813 million in the Senate plan is a dramatic $177 million more than the Administration request because of the TIP, MEP, and earmarked construction funds added on. Total NIST R&D would be $552 million in the Senate, a 5.9 percent increase.

Commerce's other main R&D agency, the National Oceanic and Atmospheric Administration (NOAA) whose portfolio is oriented toward environmental R&D rather than the physical sciences, would be in line for cuts like most domestic programs in the tight overall domestic budget but the Senate, working with a more generous overall domestic allocation, would grant a large increase for NOAA R&D. **NOAA R&D would gain $52 million or 8.9 percent to $633 million in the Senate plan (see Table).** Within Oceanic and Atmospheric Research (OAR), the Climate Research program would increase by 11 percent to $214 million, with small increases for the competitive research program and the NOAA laboratory research program supplemented by $14 million for high performance computing funding. The National Sea Grant College Program would see its funding remain stable at $57 million instead of a requested cut. R&D in the National Ocean Service (NOS) would gain $13 million over the request and 2008 for a total of $71 million, primarily from the addition of Senate earmarked research projects.

Outlook and Next Steps

The full Senate is expected to debate and approve the Commerce-Justice-Science bill in July, while the House is also expected to consider its version in July. But there is increasing doubt as to whether Congress will try to send a final version of the bill to President Bush before the October 1 start of FY 2009. The President has threatened to veto any 2009 appropriations bill that exceeds his request; since both the House and Senate versions of the bill do so and since Congress is not inclined to do the heavy lifting of negotiating a House-Senate compromise bill only to see it vetoed, the bill may have a long way to go before its funding levels become final.

(This analysis is one of a series of AAAS R&D Funding Updates on FY 2009 congressional appropriations. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D in FY 2009 appropriations, is available on the AAAS R&D Web Site (http://www.aaas.org/spp/rd) in the "FY 2009 R&D" or the "What's New" sections.)

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Table. Department of Commerce
Senate Appropriations Committee Action on R&D in the FY 2009 Budget
(budget authority in millions of dollars)

			Action by Senate				
	FY 2008	FY 2009	**FY 2009**	Chg. from Request		Chg. from FY 2008	
	Estimate	Request	**Senate**	Amount	Percent	Amount	Percent
National Oceanic and Atmospheric Administration (NOAA):							
National Ocean Service	58	58	**71**	13	23.2%	13	22.1%
National Marine Fisheries Service	52	52	**56**	4	8.5%	4	7.5%
Oceanic and Atmospheric Research	291	288	**321**	33	11.6%	31	10.6%
National Weather Service	23	23	**24**	1	3.6%	1	2.7%
National Env. Satellite and Data Info.	29	29	**29**	0	-0.7%	0	-1.5%
All Other NOAA R&D	128	127	**132**	5	3.9%	4	3.1%
TOTAL NOAA R&D	581	576	**633**	57	9.9%	52	8.9%
National Institute of Standards and Technology (NIST):							
Scientific & Technical Research	385	447	**409**	-38	-8.5%	24	6.2%
Tech. Innovation Program R&D 1/	27	0	**38**	38	- -	11	40.1%
Construction *	109	99	**105**	6	6.1%	-4	-3.8%
TOTAL NIST R&D	521	546	**552**	6	1.1%	31	5.9%
STRS Non-R&D Activities	*55*	*88*	***80***	*-7*	*-8.5%*	*25*	*45.2%*
TIP Non-R&D Activities 1/	*19*	*0*	***27***	*27*	*- -*	*8*	*40.1%*
Non-R&D Construction	*51*	*0*	***44***	*44*	*- -*	*-7*	*-14.3%*
Manufacturing Extension Partnership	*90*	*2*	***110***	*108*	*5400.0%*	*20*	*22.7%*
Total NIST Budget	*737*	*636*	***813***	*177*	*27.9%*	*76*	*10.4%*
Bureau of the Census	29	28	**28**	0	0.0%	-1	-3.4%
National Telecomm. and Info. Admin.	7	2	**2**	0	0.0%	-5	-71.4%
Total Commerce R&D	1,138	1,152	**1,215**	63	5.5%	76	6.7%

AAAS estimates based on FY 2009 appropriations bills. Includes conduct of R&D and R&D facilities.
FY 2008 and FY 2009 request figures based on OMB R&D data and supplemental agency budget data.
Figures are rounded to the nearest million. Changes calculated from unrounded figures.

1/ Renamed and restructured from the Advanced Technology Program.
* - Excludes non-R&D earmarks.
June 30, 2008 - AAAS estimates of Senate Appropriations Committee-approved appropriations.
These figures may be amended or rejected by the full Senate.