

House Slashes NOAA R&D, Eliminates ATP

AAAS R&D Funding Update on R&D in House FY 2006 Commerce Appropriations

Highlights

- **Once again, the House would agree to the Bush Administration proposal to eliminate the Advanced Technology Program (ATP) at the Department of Commerce in FY 2006.** The ATP has a budget of \$140 million this year. As in past years, the fate of the ATP now rests with the Senate.
- The House would look favorably on the non-R&D Hollings Manufacturing Extension Partnership (MEP) program by providing funding close to this year's level at \$106 million, in contrast to a requested cut of almost two-thirds (see Table).
- **National Oceanic and Atmospheric Administration (NOAA) R&D would plummet by 23 percent to \$501 million** through across-the-board reductions in NOAA's portfolio of ocean, coastal, atmospheric, climate change, and fisheries R&D programs. Not only would the House agree with NOAA's proposals to eliminate FY 2005 congressional earmarks, but the House would make steep cuts to core NOAA programs.
- Intramural research at the National Institute of Standards and Technology (NIST) laboratories would show a modest increase of 5.1 percent to \$334 million (see Table).

DOC R&D in FY 2006 House Appropriations

On June 7, the House Appropriations Committee approved its version of the FY 2006 Science, State, Justice, and Commerce appropriations bill (HR 2682). **The House bill would provide just \$911 million for Commerce R&D in FY 2006**, a dramatic 20.6 percent reduction that would cut \$237 million from the Commerce R&D portfolio and bring funding down to levels not seen in more than a decade. Under the House plan, funding for nearly every R&D program in Commerce would fall substantially, and one (the Advanced Technology Program) would be eliminated

Because of an extensive reorganization of appropriations bill jurisdictions, in FY 2006 the Department of Commerce will be funded for the first time with other R&D agencies including the National Science Foundation (NSF) and the National Aeronautics and Space Administration (NASA), which were formerly funded in the now defunct VA-HUD appropriations bill. As a result, the former Commerce, Justice, and State appropriations bill now has "Science" in its name. The Senate Appropriations Committee, however, has proposed a different reorganization for its new Commerce, Justice, and Science bill: although Commerce, NASA, and NSF will still be funded together in the Senate, the Senate bill excludes the Department of State. The differing jurisdictions in the House and the Senate bills will make agreeing on a final (conference) bill extremely difficult.

Both of Commerce's two major R&D agencies—the National Oceanic and Atmospheric Administration (NOAA) and the National Institute of Standards and Technology (NIST)—would see their R&D budgets slashed by the House. NOAA R&D would fall 23.0 percent or \$150 million below FY 2005 while NIST R&D would lose 18 percent of its funding (see Table). (For details of the President's request for Commerce R&D, please see Chapter 13 of *AAAS Report XXX: R&D FY 2006* or March 9 Commerce R&D Funding Update).

Once again, the House would eliminate NIST's Advanced Technology Program (ATP). Although the House has voted repeatedly to eliminate the program in previous Commerce/Justice bills, the program has been saved every year by the Senate. In February, the Bush Administration proposed to eliminate ATP for the fourth time in the last five years; the House would go along with the latest proposal. The FY 2006 appropriation does not provide approximately \$30 million in close-out costs for ATP, which would presumably have to be found in other NIST accounts if the program elimination becomes final.

Total NIST R&D would fall by 17.9 percent in the House bill to \$379 million because of the elimination of ATP, but other NIST programs would gain. The main NIST R&D activity—**Scientific and Technical Research and Services (STRS), which funds intramural research at the NIST laboratories—would gain \$16 million in R&D funding to \$334 million, a 5.1 percent increase.** This total would be less than an even larger requested increase. For the past two years, the Administration has requested large increases for the NIST laboratories and the elimination of ATP. Congress has saved the ATP but found the money by cutting NIST's intramural R&D, a pattern that could be repeated in 2006. The House would boost nanotechnology R&D in the areas of nanomanufacturing and nanometrology, but the shortfall from the requested increase could keep NIST from investing additional dollars in measurement infrastructure.

In another repeat of past years, the House would disagree sharply with the Administration request for funding of the non-R&D Hollings **Manufacturing Extension Partnership (MEP)**, 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. The House would give MEP \$106 million, slightly off this year's funding level but well above the \$47 million request which would have phased out the federal contribution to this federal-state partnership and left MEP center funding heavily in state hands.

Another NIST R&D program, Construction of Research Facilities, would increase to \$45 million, less than the request but \$15 million more than this year after excluding \$43 million in FY 2005 congressionally designated projects. The FY 2006 appropriation would allow for major renovations to NIST facilities in Maryland and Colorado.

The House would make dramatic cuts to NOAA R&D for a reduction of 23 percent or \$150 million down to \$501 million (see Table). The request would have reduced NOAA R&D by a dramatic 18 percent, but the House would cut even deeper. Working within tight budget constraints in the overall bill, House appropriators would cut most core NOAA programs but would also refrain from the usual practice of handing out congressional earmarks. In Oceanic and Atmospheric Research (OAR), the R&D portfolio would fall 15.4 percent down to \$286 million, mostly because of the elimination of FY 2005 congressional earmarks but also from House cuts below the requested funding levels. NOAA's climate research program would increase slightly to \$179 million, but weather and air quality research would fall steeply from \$51 million to \$38 million because of deleted earmarks and the elimination of the US Weather Research Program. Funding for the National Sea Grant College Program would decline from \$62 million down to \$60 million. Begun in 1966, Sea Grant provides research grants to more than 200 universities to gain better understanding of marine life and marine resources through education, outreach, and technology transfer. The \$29 million Ocean Exploration program would be all but eliminated.

R&D in NOAA's other divisions would also fall steeply, such as the National Ocean Service (NOS), whose portfolio of oceanographic research would fall 39 percent to \$62 million from a combination of deleted earmarks and steep across-the-board reductions in ocean navigation, coastal ocean science, ocean observing, and ocean and coastal management research programs. There would be across-the-board cuts in the fisheries and resources management research programs of the National Marine Fisheries Service (NMFS), resulting in a 27.0 percent cut in NMFS R&D activities down to \$46 million. Similar cuts have been approved by House Appropriations Committees in recent years, but the Senate has traditionally supported NOAA strongly. Once again, the fate of many NOAA programs next year will lie with Senate appropriators.

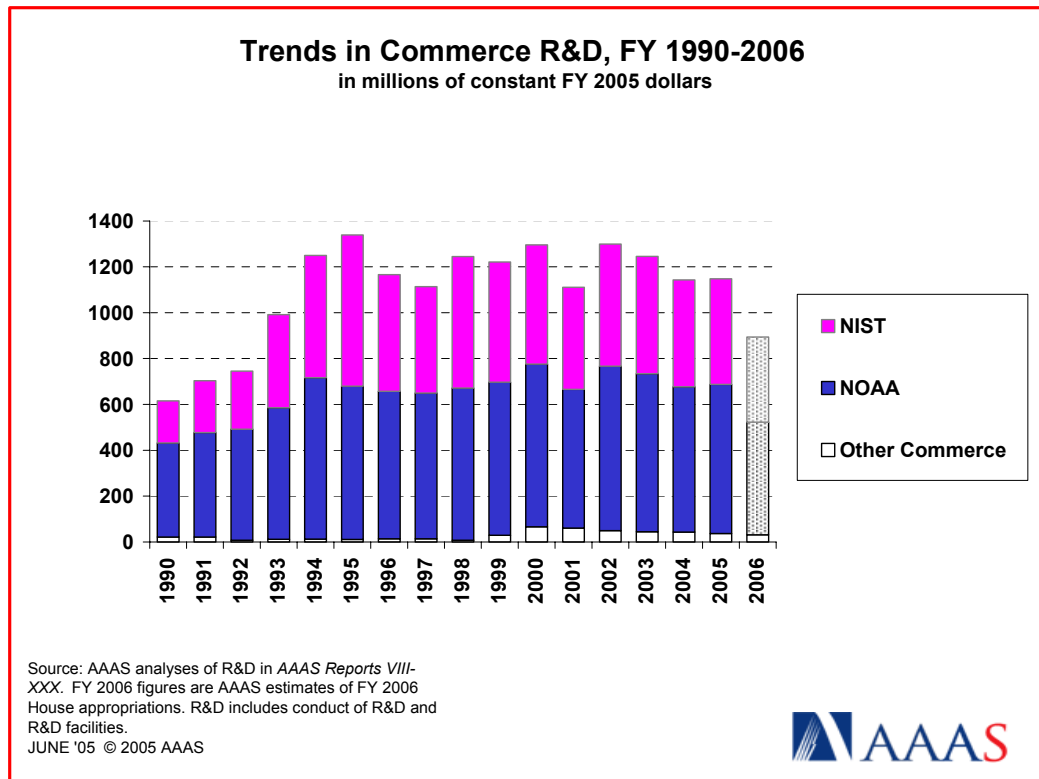


Figure 1. (click on the image for PDF)

Next Steps and Possible Impacts

The dramatic cuts to Commerce’s R&D portfolio in FY 2006 would represent the fourth year in a row of decline, as shown in Figure 1, and would bring the portfolio below \$1 billion in today’s dollars for the first time since 1993. The House cuts, if enacted, would leave Commerce R&D nearly a third below the levels of just four years ago. Although Commerce R&D grew substantially in the first half of the 1990s as NIST’s technology programs and NOAA’s environmental programs gained in priority, Commerce R&D funding has stagnated since FY 1995, with large swings due to the up-and-down fortunes of the ATP, changing construction needs at the NIST laboratories, and tight budgets for NOAA.

The House is expected to debate and approve the Science, State, Justice, and Commerce appropriations bill the week of June 13. The Senate Appropriations Committee is expected to draft its version later this month.

(This analysis is one of a series of AAAS R&D Funding Updates on FY 2006 congressional appropriations. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D in FY 2006 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/rd>) in the “FY 2006 R&D” or the “What’s New” sections.)

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Table. Dept. of Commerce R&D in FY 2006 House Appropriations

**Table. Department of Commerce
House Appropriations Committee Action on R&D in the FY 2006 Budget
(budget authority in millions of dollars)**

	FY 2005 Estimate	FY 2006 Request	House Action				
			FY 2006 House	Chg. from Request Amount	Chg. from Request Percent	Chg. from FY 2005 Amount	Chg. from FY 2005 Percent
National Oceanic and Atmospheric Administration (NOAA):							
National Ocean Service	101	64	62	-2	-3.9%	-40	-39.2%
National Marine Fisheries Service	63	49	46	-3	-5.8%	-17	-27.0%
Oceanic and Atmospheric Research	338	315	286	-29	-9.3%	-52	-15.4%
National Weather Service	22	23	24	1	3.1%	2	8.9%
National Env. Satellite and Data Info.	31	26	28	2	6.2%	-3	-10.7%
All Other NOAA R&D	94	56	55	-1	-2.3%	-39	-41.8%
TOTAL NOAA R&D	650	534	501	-34	-6.3%	-150	-23.0%
National Institute of Standards and Technology (NIST):							
Scientific & Technical Research	317	357	334	-24	-6.7%	16	5.1%
Advanced Technology Program R&D	114	0	0	0	--	-114	-100.0%
Construction *	30	59	45	-14	-23.6%	15	52.0%
TOTAL NIST R&D	461	416	379	-38	-9.1%	-82	-17.9%
<i>STRS Non-R&D Activities</i>	62	69	64	-5	-6.7%	3	4.4%
<i>ATP Non-R&D Activities</i>	26	0	0	0	--	-26	-100.0%
<i>Non-R&D Construction</i>	43	0	0	0	--	-43	-100.0%
<i>Manufacturing Extension Partnership</i>	108	47	106	59	126.5%	-2	-1.4%
<i>Total NIST Budget</i>	699	532	549	17	3.1%	-150	-21.5%
Departmental Administration	11	1	1	0	0.0%	-10	-90.9%
Bureau of the Census	20	22	22	0	0.0%	2	10.0%
National Telecomm. and Info. Admin.	6	9	9	0	0.0%	3	50.0%
Total Commerce R&D	1,148	983	911	-71	-7.3%	-237	-20.6%

AAAS estimates based on FY 2006 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2005 and FY 2006 request figures based on OMB R&D data and supplemental agency budget data.

NOAA figures have been revised since the April release of AAAS Report XXX: R&D FY 2006.

Figures are rounded to the nearest million. Changes calculated from unrounded figures.

* - Excludes congressional earmarks of \$43 million in 2005.

June 14, 2005 - AAAS estimates of House Appropriations Committee-approved bills.

These figures may be amended or rejected by the full House.