

Senate Boosts NOAA and NIST R&D, Sustains ATP and MEP

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

Highlights

- In a sharp reversal from steep cuts in the House appropriation and the request, **the Senate would dramatically increase Department of Commerce R&D by nearly 11 percent to \$1.3 billion in FY 2006 (see Table).**
- **The Senate would keep the Advanced Technology Program (ATP) funded at this year's budget of \$140 million next year, in sharp contrast to House and Administration plans to eliminate it.**
- The House and the Senate would agree, however, to sustain 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). The two chambers would also agree on an increase of 6 percent to intramural research at the National Institute of Standards and Technology (NIST) to \$335 million (see Table).
- The House and the Senate could not disagree more strongly on R&D funding in the **National Oceanic and Atmospheric Administration (NOAA), which would climb 6.5 percent in the Senate plan but plummet 23 percent in the House.**

DOC R&D in FY 2006 Senate Appropriations

On June 23, the Senate Appropriations Committee approved its version of the FY 2006 Commerce, Justice, and Science appropriations bill (HR 2862), following full House approval of its version a week earlier. **The Senate bill would provide \$1.3 billion for Commerce R&D in FY 2006, a large 10.8 percent increase that would be in sharp contrast to House and Administration plans to slash the portfolio below the \$1 billion mark.** Unlike the House, which would cut funding for nearly every R&D program in Commerce and eliminate one (the Advanced Technology Program) entirely, the Senate would do the opposite and increase funding for a broad range of Commerce R&D programs.

Because of an extensive reorganization of appropriations bill jurisdictions, in FY 2006 the National Science Foundation (NSF) and NASA will be funded for the first time with the Departments of Commerce and Justice. NSF and NASA were formerly funded in the now defunct VA-HUD appropriations bill alongside the Departments of Veterans Affairs and Housing and Urban Development. As a result, the former Commerce, Justice, and State appropriations bill in the House now has "Science" in its name. The Senate version of the bill, however, has a different group of agencies: although Commerce, Justice, NASA, and NSF are still 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 increase dramatically in the Senate plan. **NOAA R&D would climb 6.5 percent to \$693 million, while NIST R&D would gain 16.4 percent to reach \$537 million (see Table).** Both agencies would have seen steep cuts in the House and Administration plans. (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. For details of R&D in House appropriations, see the June 14 R&D Funding Update).

In a repeat of past budget battles, the Senate would save the Advanced Technology Program (ATP) in NIST after the House and the Bush Administration proposed eliminating it. The FY 2006 appropriation of \$140 million would match this year's budget, and would set aside at least \$60 million for new grant awards. In language accompanying the bill, the Senate strongly praises ATP's accomplishments and returns on investment, and calls the program critical to U.S. industries facing global competition.

Total NIST R&D would gain a staggering 16.4 percent in the Senate bill to \$537 million. The main NIST R&D activity—**Scientific and Technical Research and Services (STRS), which funds intramural research at the NIST laboratories—would gain \$18 million in R&D funding to \$335 million, a 5.7 percent increase that would nearly match the House appropriation.** 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.

In another repeat of past years, both the Senate and 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. Both the House and the Senate agree on \$106 million for MEP, 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.

The largest gain in the NIST portfolio would be for Construction of Research Facilities, which would see its R&D funding nearly triple from \$30 million this year to \$88 million next year in the Senate plan for major renovations to NIST facilities in Maryland and Colorado. This account also contains funding for \$43 million in congressionally designated projects this year; while the House would not add new projects in FY 2006, the Senate bill would provide \$111 million in earmarked funding for non-R&D projects in South Carolina, Mississippi, and Alabama, far away from NIST facilities. Although most congressional earmarks are written into report language accompanying the bill, making them theoretically optional, these Senate earmarks are written into the bill itself and would carry the force of law if they make it into the final bill.

The Senate would boost NOAA R&D by 6.5 percent to \$693 million, in sharp contrast to steep cuts to the \$500 million range for the House and the Administration (see Table). Once again, the Senate bill looks favorably on last year's U.S. Commission on Ocean Policy report, "An Ocean Blueprint," reaffirming NOAA's leading role in U.S. ocean policy and calling on dramatic expansions in NOAA ocean investments, including ocean-related research. The Senate bill criticizes NASA for cutting most of these ocean programs in the FY 2006 request. Not surprisingly, the National Ocean Service (NOS) R&D portfolio would receive the largest increase of 19.4 percent to \$121 million for its portfolio of ocean observations, aquaculture, and oceanography R&D. NOAA's largest R&D unit, Oceanic and Atmospheric Research (OAR), would receive a 12.5 percent boost to \$380 million for R&D, including boosts for several key Ocean Commission programs. The Senate would provide \$72 million for the National Sea Grant College Program, up from \$62 million this year. 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 House would all but eliminate the \$29 million Ocean Exploration program, but the Senate would sustain it at \$30 million. Elsewhere in OAR, NOAA's climate research program would increase slightly to \$184 million, and weather and air quality research would climb from \$51 million to \$72 million.

Next Steps and Possible Impacts

The Senate-proposed increases to Commerce's R&D portfolio would reverse two years of decline, as shown in Figure 1, but the House cuts would bring the portfolio below \$1 billion in today's dollars for the

first time since 1993. If past patterns hold true, the final FY 2006 appropriations is likely to be roughly midway between the House and Senate marks, suggesting a final budget of roughly \$1.1 billion at this year's funding level. 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.

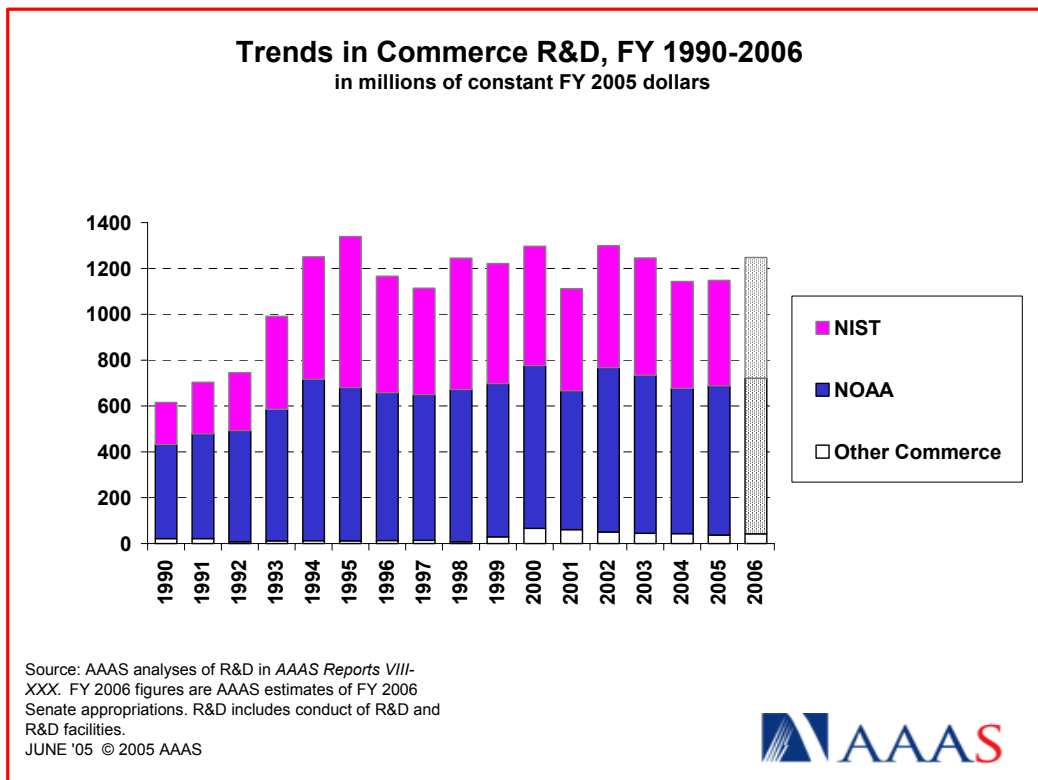


Figure 1. (click on the image for PDF)

The Senate is expected to debate and approve the Commerce, Justice, and Science appropriations bill in July. Because the House-approved version of the bill includes the Department of State, which the Senate would fund in another appropriations bill entirely, the House-Senate conference to resolve differences is expected to be extremely difficult and may not conclude until the fall.

(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 Senate Appropriations

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

	FY 2005 Estimate	FY 2006 Request	FY 2006 House	Senate Action				
				FY 2006 Senate	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	121	57	88.9%	20	19.4%
National Marine Fisheries Service	63	49	46	59	10	21.5%	-4	-5.8%
Oceanic and Atmospheric Research	338	315	286	380	65	20.6%	42	12.5%
National Weather Service	22	23	24	25	1	5.0%	2	10.9%
National Env. Satellite and Data Info.	31	26	28	31	5	18.3%	0	-0.6%
All Other NOAA R&D	94	56	55	76	20	35.7%	-18	-19.1%
TOTAL NOAA R&D	650	534	501	693	158	29.6%	42	6.5%
National Institute of Standards and Technology (NIST):								
Scientific & Technical Research	317	357	334	335	-22	-6.2%	18	5.7%
Advanced Technology Program R&D	114	0	0	114	114	--	0	-0.3%
Construction *	30	59	45	88	29	48.8%	58	196.1%
TOTAL NIST R&D	461	416	379	537	120	28.9%	76	16.4%
<i>STRS Non-R&D Activities</i>	62	69	64	65	-4	-6.2%	3	4.9%
<i>ATP Non-R&D Activities</i>	26	0	0	26	26	--	0	-0.3%
<i>Non-R&D Construction</i>	43	0	0	111	111	--	68	158.7%
<i>Manufacturing Extension Partnership</i>	108	47	106	106	59	126.5%	-2	-1.4%
<i>Total NIST Budget</i>	699	532	549	845	313	58.7%	145	20.8%
Departmental Administration	11	1	1	1	0	0.0%	-10	-90.9%
Bureau of the Census	20	22	22	18	-4	-16.8%	-2	-8.5%
National Telecomm. and Info. Admin.	6	9	9	24	15	166.7%	18	300.0%
Total Commerce R&D	1,148	983	911	1,273	290	29.5%	124	10.8%

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 and \$111 million in FY 2006 Senate.

June 28, 2005 - AAAS estimates of Senate Appropriations Committee-approved bills.

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