

National Telecommunications and Information Administration

The National Telecommunications and Information Administration (NTIA) develops domestic and international telecommunications and information policy for the executive branch, ensures the efficient and effective management and use of the Federal radio spectrum, and performs state-of-the-art telecommunications research, engineering, and planning.

The **Salaries and Expenses (S&E) account** focuses on NTIA's core programs for domestic and international policy development, Federal spectrum management, and related research. In addition to adjustments to

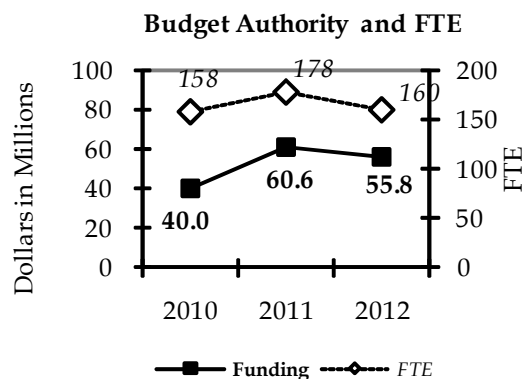
the base necessary to maintain the buying power of existing resources, NTIA requests \$1 million and 5 FTE to bolster the Department of Commerce's leadership role to consider and harmonize national innovation-promoting policies for the Internet both domestically and internationally. This Internet Innovation initiative addresses Internet-based privacy principles; growth of the global Internet economy; protection of intellectual property; and protection of consumers and children.

In addition, NTIA requests \$1.7 million and 5 FTE support the Administration's efforts to foster new wireless broadband technologies by making new spectrum available for commercial broadband use. Specifically, NTIA will collaborate with the Federal Communications Commission (FCC) to implement the plan to make available significant spectrum suitable (500MHz) for both mobile and fixed wireless broadband use over the next ten years, as part of the Wireless Innovation and Infrastructure Initiative (WI3). The "Plan and Timetable to Make Available 500 MHz of Spectrum for Wireless Broadband" focuses on making spectrum available for exclusive use by commercial broadband providers or technologies, or for dynamic, shared access by commercial and government users. Furthermore, this request bolsters our research capabilities in spectrum sharing techniques that will enable the efficient use of radio frequencies currently occupied by traditional frequency assignments, and to avoid harmful interference from other users operating in these frequencies. This research will aid the NTIA, the FCC, the telecommunications industry, and other government agencies in the design of dynamic spectrum access schemes for cognitive radio under different communication requirements.

NTIA also requests an increase of \$12.2 million to continue the administration and oversight of the \$4.7 billion Recovery Act grant program for broadband technologies and deployment mapping. This request is not an increase in the cost of the program. The 2011 President's budget request did not reflect funds for a contract of \$15.9 million that was funded in 2010 with Recovery Act funds for performance in 2011. These funds are required for continued support in monitoring and oversight of the broadband grant recipients and projects. Recipients of grant awards will have three years, in most cases, to complete their projects and most awards were not made until the end of FY 2010. Many projects are still in the early phases of implementation. Funding to oversee these grants is now requested in the S&E account, in contrast to the 2011 Budget, which requested a separate account. Total requested funding for oversight in FY 2012 is \$32.3 million. This reflects a reduction of \$3.5 million in FY 2011 funding of \$35.8 million when the Recovery Act funding of the contract is accounted for.

NTIA will cancel the International Symposium on Advanced Radio Telecommunications (ISART) for 2012 to achieve a cost reduction of \$150,000. NTIA will explore the option of obtaining support from private industry or nonprofit organizations, through its existing authorities, in order to keep the ISART functionality.

NTIA will discontinue the **Public Telecommunications Facilities, Planning, and Construction (PTFPC)** program in FY 2012, because the Administration will support public broadcasting through the Corporation for Public Broadcasting and needs to make difficult choices to programs in a fiscally constrained environment. Hereafter, previously appropriated



funds that remain available will be used to administer prior-year grants. Also, the **Information Infrastructure Grants** program was terminated in FY 2005. The Budget proposes to rescind remaining unobligated balances.

Digital Television Transition and Public Safety Fund (DTTPSF) (mandatory program): The Fund, created by the Deficit Reduction Act of 2005 and modified by the Call Home Act, the SAFE Port Act of 2006, and the Consolidated Appropriations Act of 2008, receives offsetting receipts from the auction of electromagnetic spectrum to be recovered from analog television frequencies as part of the transition to digital broadcasts and provides funding for several one-time programs from these receipts. The Budget proposes to rescind \$4.3 million in unobligated balances. NTIA believes that these funds are unneeded.

During FY 2012, the following programs will be funded by prior-year receipts:

- Public Safety Interoperable Communications Grants
- Assistance to Low-Power Television Stations
- National and Remote Alert Programs

Because these are one-time programs, activity in these programs is winding down.

Summary of Appropriations

Funding Levels

	2010 <u>Actual</u>	2011 CR <u>(Annualized)</u>	2012 <u>Estimate</u>	Increase <u>(Decrease)</u>
Appropriation, Discretionary				
Salaries and Expenses	\$19,999	\$40,649	\$55,827	\$15,178
Public Telecommunications Facilities, Planning and Construction	20,000	20,000	0	(\$20,000)
DISCRETIONARY APPROPRIATION	39,999	60,649	55,827	(4,822)
Transfer From Census	0	1,999	0	0
Information Infrastructure Grants	0	0	(2,000)	(2,000)
Digital Television Transition and Public Safety Fund (Discretionary Change in a Mandatory Program)	0	0	(4,311)	(4,311)
Unobligated balance, rescission, Digital -to- Analog Converter Box Program, Recovery Act (P.L. 111-118, 111-212)	(239,500)	0	0	0
Unobligated balance, rescission, Broadband Technology Opportunities Program, Recovery Act(P.L. 111-226)	(302,000)	0	0	0
Subtotal, Discretionary Budget Authority	(501,501)	62,648	49,516	(11,133)
Appropriation, Mandatory				
Digital Television Transition and Public Safety Fund				
Appropriation (special fund receipts)	196,613	0	0	(196,613)
Appropriation, Mandatory	196,613	0	0	(196,613)
Budget Authority, Mandatory	196,613	0	0	(196,613)
TOTAL BUDGET AUTHORITY	(304,888)	62,648	49,516	(207,746)

FTE	2010 <u>Actual</u>	2011 CR <u>(Annualized)</u>	2012 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses - Direct	95	156	157	1
Salaries and Expenses - Reimbursable	140	155	155	0
Public Telecommunications Facilities, Planning and Construction	8	13	0	(13)
Information Infrastructure Grants	0	0	0	0
Broadband Technology Opportunities Program, Recovery Act	47	0	0	0
Digital to Analog Converter Box Program, Recovery Act	0	0	0	0
Total, Discretionary FTEs	290	324	312	(12)
Mandatory:				
Digital Television Transition and Public Safety Fund	8	9	3	(6)
TOTAL, FTEs	298	333	315	(18)

Highlights of Budget Changes

Appropriation: Salaries and Expenses

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2011 CR (Annualized)			156	\$40,649
Transfer from Census				1,999
Adjustments to Base				
Adjustment:				
Restoration of Base				(175)
Non recurring 2011 transfer from Census				(1,999)
Other Changes				
Annualization of Positions in 2011	1	\$118		
Civil Service Retirement System (CSRS)		(33)		
Federal Employees' Retirement System (FERS)		55		
Federal Insurance Contributions Act (FICA) - OASDI		(4)		
Thrift Savings Plan		9		
Health insurance		68		
Employees' Compensation Plan		16		
Rent payments to GSA		41		
Postage		2		
Electricity		144		
Travel:				
Mileage		(2)		
Per diem		20		
Other services:				
Working Capital Fund		249		
General Pricing Level Adjustment:				
Communications, utilities, and miscellaneous charges		2		
Other services		212		
Supplies and materials		4		
Equipment		9		
Subtotal, other cost changes				910
TOTAL, ADJUSTMENTS TO BASE			1	(1,264)
2012 Base			157	41,384
Administrative Savings			0	(353)
Program Changes			0	14,796
2012 APPROPRIATION			157	55,827

Note: The distribution of administrative savings reflected in this table is based on current estimates. As the review and implementation process proceed, the distribution of these savings may change.

Comparison by Activity

	2011 Currently Avail.		2012 Base		2012 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Domestic & International Policies	26	\$6,497	26	\$5,511	31	\$6,443	5	\$932
Spectrum Management	32	8,932	32	8,366	37	10,003	5	1,637
Telecommunication Sciences Res.	48	7,610	49	7,403	49	7,071	0	(332)
Broadband Programs	50	21,873	50	20,104	40	32,310	(10)	12,206
TOTAL DIRECT OBLIGATIONS	156	44,912	157	41,384	157	55,827	0	14,443
REIMBURSABLE OBLIGATIONS	155	72,540	155	42,064	155	41,652	0	(412)
TOTAL OBLIGATIONS	311	117,452	312	83,448	312	97,479	0	14,031
FINANCING								
Unobligated balance, start of year (Direct)		(2,264)						
Unobligated balance, start of year (Reimbursable)		(31,564)						
Offsetting collections from:								
Federal funds	(152)	(40,476)			(152)	(41,152)		
Non-Federal sources	(3)	(500)			(3)	(500)		
Subtotal, financing	(155)	(40,976)			(155)	(41,652)		
TOTAL BUDGET AUTHORITY	156	42,648			157	55,827		
Transfer from DOC Census		(1,999)				0		
Total Appropriation	156	40,649			157	55,827		

Note: The distribution of administrative savings reflected in this table is based on current estimates. As the review and implementation processes proceed, the distribution of these savings may change.

Administrative Savings

The Administration is pursuing an aggressive government-wide effort to curb non-essential administrative spending called the Administrative Efficiency Initiative. In order to be good stewards of taxpayer money, the Federal Government should continue to seek ways to improve the efficiency of programs without reducing their effectiveness. As such, the President directed each agency to analyze its administrative costs and identify savings where possible. After reviewing its administrative costs, NTIA has identified \$353,000 in administrative savings (including \$182,000 in the Telecommunication Sciences Research director's policy support fund), with an additional \$264,000 in savings from NTIA's share of contribution to the Department's Working Capital Fund (see the Departmental Management Working Capital Fund section for more details). Of the total \$617,000 in administrative savings identified above, \$353,000 represent real reductions to NTIA's funding level and will help reduce overall spending by the Federal Government.

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Internet Innovation	26	\$5,511	+5	+\$1,000

NTIA requests an increase of \$1 million and 5 FTE to bolster the Department of Commerce's leadership role in the evolution of innovation-promoting policies for the Internet both domestically and internationally. NTIA will develop, implement and advocate in the "Internet 3.0" policy framework, building on previous work, including the Department's successful engagement with the Internet Corporation for Assigned Names and Numbers.

NTIA's Internet Innovation initiative would use a multi-stakeholder approach to lead U.S. policymakers and regulators, governments around the world, and industry, in the formation of Internet policies and best practices to ensure continued innovation in Internet-based services and products. (The term "Internet 3.0" refers to the next generation of Internet use, with 1.0 being primarily informational websites and 2.0 being increased user-generated content and developments such as social media.) The third phase of the development of the Internet brings with it a range of new public policy challenges that the U.S. must be prepared to meet. These challenges include, inter alia, enhancing online privacy, providing effective cybersecurity, protecting child online, securing online copyright protection, and fostering the global Internet economy. NTIA must ensure that the federal government is able to lead policy developments so that NTIA can continue in its role as principal telecommunications and information policy adviser to the President.

Just as the U.S. Government led the world in creating a policy framework for the first phase of the Internet, so too must we show leadership in this new era.

Wireless Broadband Access (500Mhz)	0	\$0	+5	+\$1,740
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In accordance with President's Wireless Innovation and Infrastructure Initiative (WI3), NTIA will work with Federal agencies and the Federal Communications Commission to identify 500 megahertz of spectrum for wireless broadband. To accomplish this, NTIA will review a listing of bands set out in a 10-year plan to determine which bands can be made available either through relocation of Federal systems or through new innovation sharing techniques. To advance the potential for spectrum sharing and increasing spectrum access, NTIA needs to facilitate advancement and expansion of its spectrum innovation test bed and research into sharing technologies, such as cognitive radio.

International Symposium on Advanced Radio Telecommunications	49	\$7,403	0	-\$150
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NTIA will cancel the International Symposium on Advanced Radio Telecommunications (ISART) for 2012 to achieve a cost reduction of \$150,000. NTIA will explore the option of obtaining support from private industry or nonprofit organizations, through its existing authorities, in order to keep the ISART functionality. In addition, NTIA's institute for Telecommunication Sciences is currently pursuing web-based Internet portal and content management system improvements and technologies as a more efficient and cost-saving approach for transferring knowledge and collaborating with its stakeholders.

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Broadband Programs	50	\$20,104	-10	+\$12,206

NTIA requests a reduction of 10 FTE and an increase of \$12,206,000 to continue monitoring broadband grants to prevent fraud, waste and abuse. This is not an increase in the cost of the program. The 2011 President’s budget request did not reflect funds for a contract of \$15.9 million that was funded in 2010 with Recovery Act funds for performance in 2011. These funds are required for continued support in monitoring and oversight of the Broadband grant recipients and projects. Additionally the funds will be used to maintain a comprehensive nationwide inventory map of existing broadband service capability and availability. Under The American Recovery and Reinvestment Act of 2009 (Recovery Act, Public Law No. 111-5), NTIA awarded nearly \$4.2 billion in broadband grant initiatives throughout the United States and to develop the nationwide broadband map. Although those funds expired in FY 2010, most grants will remain open through FY 2013. It is critical that NTIA provide the required oversight to protect the Federal Government’s investment in broadband infrastructure, public computer centers, broadband adoption, and state broadband data and development projects.

Appropriation: Public Telecommunications Facilities, Planning and Construction

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2011 CR (Annualized)			13	\$20,000
Adjustments to Base			0	0
2011 Base			<u>13</u>	<u>20,000</u>
Program Changes			(13)	(20,000)
2012 APPROPRIATION			<u>0</u>	<u>0</u>

In today’s fiscal environment, it is important to reduce federal spending wherever possible in order to focus limited resources on those activities that provide the most benefit to the American public. As such, PTFPC funding is being terminated. The Administration proposes to support public broadcasters through the Corporation for Public Broadcasting. Recoveries and unobligated balances of funds previously appropriated to this account will remain available for the administration of prior-year grants.

Appropriation: Information Infrastructure Grants

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2011 CR (Annualized)	0	\$0
Adjustments to Base	0	0
2011 Base	0	0
Program Changes	0	0
2012 APPROPRIATION	0	0

Comparison by Activity

	2011 Currently Avail.		2012 Base		2012 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Technology Opportunity Program								
Grants	0	\$0	0	\$0	0	\$0	0	\$0
Program Management	0	213	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	0	213	0	0	0	0	0	0
FINANCING								
Unobligated balance, start of year	0	(2,213)				(2,000)		
Unobligated balance, end of year	0	2,000				0		
TOTAL BUDGET AUTHORITY / APPROPRIATION	0	0			0	(2,000)		

Appropriation: Digital Television Transition and Public Safety Fund*Summary of Requirements*

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2011 CR (Annualized)	0	\$0
FTEs funded from carryover	9	0
Adjustment to Base		
Reduced FTEs funded by carryover	(6)	0
2012 Base	3	0
Program Changes	0	0
2012 Mandatory Budget Authority	3	0
Change in Mandatory Program	0	(4,311)
2012 Discretionary Budget Authority	0	(4,311)

Comparison by Activity

	2011 Currently Avail.		2012 Base		2012 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Public Safety Interoperable Communications Grants	3	6,185	0	0	0	0	0	0
Low Power TV & Translator Upgrade Program	3	38,647	0	0	2	1,712	2	1,712
Tsunami Warning Program	0	339	0	0	1	674	1	674
National and Remote Alert Programs	3	48,658	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	9	93,829	0	0	3	2,386	3	2,386
FINANCING								
Unobligated balance, start of year		(8,841,885)				(6,697)		
Unobligated balance, end of year		6,697				4,311		
Capital Transfer to General Fund		8,741,359						
TOTAL MANDATORY BUDGET AUTHORITY	9	0			3	0		
CHANGE IN MANDATORY PROGRAM	0				0	(4,311)		
TOTAL DISCRETIONARY BUDGET AUTHORITY						(4,311)		

Title III of the Deficit Reduction Act of 2005 provided the Department the authority to borrow from the Treasury in advance of the availability of radio spectrum auction receipts that finance several programs created in the Act. All borrowings have been repaid to the Department of Treasury and programs currently in operation are being funded with receipts of earned revenue.

Performance Objectives and Measures

(Dollars reflect obligations in Millions)

In FY 2012, in conjunction with its new strategic plan, the Department will complete the re-organization of its performance structure from three strategic goals and a management integration goal to three program themes and three administrative themes. An overview of the Strategic Plan can be found on Page 169. The NTIA performance measures now appear in the two different administrative themes (Economic Growth and Science and Information), covering three different objectives.¹ Prior performance measures are included among these objectives along with several new measures.² The table below shows the new objectives and their associated funding and performance measures. A more detailed description of these goals and measures is in the NTIA section of the Department of Commerce budget.

	2010 Actual	2011 CR (Annualized)/Targets	2012 Estimate / Targets
Objective 4: Drive innovation through supporting an open global Internet and communications and broadband policies that enable robust infrastructure, ensure integrity of the system, and support e-commerce	\$4,396.3	\$148.4	\$71.8
Update the Spectrum Inventory first established in FY2011	New	Complete initial version of Spectrum Inventory	Spectrum Inventory Update Meet 66% of milestones regarding the identification of 500 MHz for wireless broadband
Identify up to 500 MHz of spectrum to support commercial broadband services or products	New	New	
Miles of broadband networks deployed (Infrastructure Projects)	New	10,000	30,000
Community anchor institutions connected (Infrastructure Projects)	New	3,000	10,000
New and upgraded public computer workstations (Public Computer Centers Projects)	New	10,000	20,000
New household and business subscribers to broadband (Sustainable Broadband Adoption Projects)	New	100,000	250,000
Objective 11: Develop and influence international standards and policies to maximize the competitiveness of US industry	\$1.9	\$2.2	\$2.5
75% of NTIA positions substantially adopted or successful at international meetings	New	New	75% of NTIA positions substantially adopted or successful at international meetings
Objective 13: Enhance scientific knowledge and provide information to stakeholders to improve innovation and technology, support economic growth, and improve public safety	\$23.4	\$25.0	\$1,425.5
Annual Progress Report on the Test-Bed	New	Publish Annual Report	Publish Annual Report
Total³	\$4,421.6	\$175.6	\$1,499.9

¹ For FY2012, NTIA discontinued several performance measures. Details of those measures are available in the FY 2012 Congressional Justification.

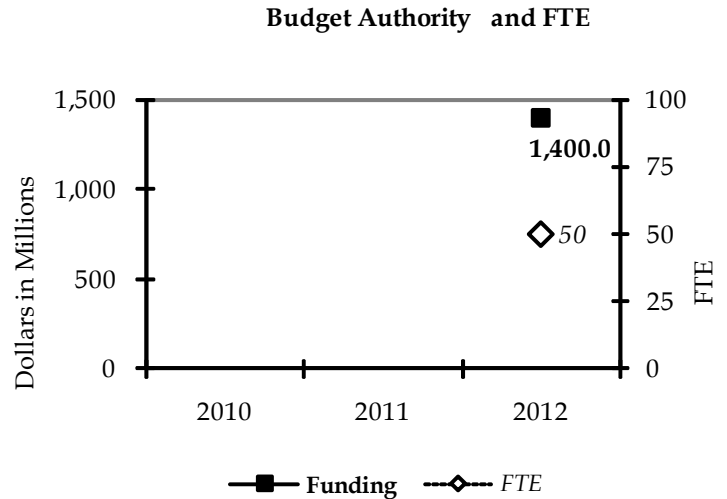
² Beginning in FY 2010, NTIA substantially revamped performance measures to align with priorities in spectrum reallocation and sharing as well as broadband programs.

³Amounts include reimbursable work and direct, mandatory, and supplemental appropriations.



Public Safety Broadband Network

In support of the President's spectrum initiative, the Budget proposes to establish a \$7.0 billion program within NTIA to develop a nationwide interoperable public safety broadband network in the 700 MHz band. The program would begin in FY 2012 and would be administered over several years. In this endeavor, NTIA will collaborate with the Departments of Homeland Security and Justice. The program will be fully offset by expected proceeds from anticipated spectrum auctions to be conducted by the Federal Communications Commission (FCC) under the Wireless Innovation and Infrastructure Initiative (WI3).



Summary of Appropriations

Funding Levels

	2010 <u>Actual</u>	2011 CR <u>(Annualized)</u>	2012 <u>Estimate</u>	Increase <u>(Decrease)</u>
Appropriation, Mandatory				
Public Safety Broadband Network	\$0	\$0	\$1,400,000	\$1,400,000
FTE	0	0	50	50

Highlights of Budget Changes

Appropriation: Public Safety Broadband Network

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2011 CR (Annualized)			0	\$0
Adjustments to Base			0	0
2012 Base			0	0
Program Changes			50	1,400,000
2012 Mandatory Budget Authority			50	1,400,000

Comparison by Activity

	2011 Currently Avail.		2012 Base		2012 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Grants	0	\$0	0	\$0	0	\$1,330,000	0	\$1,330,000
Program Management	0	0	0	0	50	70,000	50	70,000
TOTAL DIRECT OBLIGATIONS	0	0	0	0	50	1,400,000	50	1,400,000
FINANCING								
Unobligated balance, start of year	0	0			0	0		
TOTAL MANDATORY BUDGET AUTHORITY	0	0			50	1,400,000		

Note: NTIA will request \$7 billion over the next several years under the President's Wireless Innovation and Infrastructure Initiative.

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Public Safety Broadband Network	0	\$0	+50	+\$1,400,000

In support of the President's Wireless Innovation and Infrastructure Initiative (WI3), the Budget proposes to establish a \$7.0 billion program within NTIA to develop a nationwide interoperable public safety broadband network in the 700 MHz band. The program would begin in FY 2012 and would be administered over several years. In this endeavor, NTIA will collaborate with the Departments of Homeland Security and Justice. The Administration will submit legislation in Spring 2011 providing details of the initiative. The program will be fully offset through a legislative proposal that is expected to generate proceeds from spectrum auctions to be conducted by the Federal Communications Commission (FCC) as part of WI3.