

**The
Department of Commerce
Budget in Brief**

Fiscal Year 2009

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Introduction

The mission of the Department of Commerce is to create the conditions for economic growth and opportunity by promoting innovation, entrepreneurship, competitiveness, and stewardship. To support this mission, the Department strives towards three strategic goals and a management integration goal—to achieve organizational and management excellence. Each bureau within the Department supports one or more of the strategic goals, while Departmental Management and the Office of the Inspector General support the management integration goal.

This FY 2009 Department of Commerce Budget in Brief outlines the President's FY 2009 budget request for the Department. The budget request and its associated Congressional justifications constitute a performance budget that links requested funds to attainment of the Department's strategic goals and underlying objectives.

The President's FY 2009 budget request of \$8.18 billion in discretionary funds for the Department of Commerce reflects the Administration's commitment to the Department's mission and to maintaining a prudent level of discretionary Federal spending. Enactment of the President's request will enable the Department to effectively achieve its strategic goals and their associated objectives and outcomes. A key feature of the FY 2009 request is to support urgent preparations for the 2010 Decennial Census. More than a quarter of this entire FY 2009 request is for the 2010 Census.

Goal 1: Maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers (ESA, BEA, Census, ITA, EDA, BIS, and MBDA)

- **Foster domestic economic development as well as export opportunities**
- **Advance responsible economic growth and trade while protecting American security**
- **Advance key economic and demographic data that support effective decision-making by policymakers, businesses, and the American public**

The Economics and Statistics Administration (ESA) produces data and analyses that have made the United States a world leader in timely, objective, relevant, and accurate economic information. ESA's Bureau of Economic Analysis (BEA) promotes understanding of the Nation's economic condition by providing policy makers, business leaders, households, and individuals with essential economic data. This data includes the gross domestic product (GDP) as well as other regional, national, international, and industry-specific information. The President's FY 2009 budget requests \$91 million for ESA Headquarters and BEA. This request includes an increase of \$5.7 million to improve measurement of the health care sector and to incorporate the impact of research & development investments into the GDP.

ESA's Census Bureau serves as the leading source of quality data about the nation's people and economy. The President's FY 2009 budget requests \$2.6 billion in discretionary funds for the Census Bureau, which includes \$2.1 billion for the 2010 Decennial Census—a program increase of \$1.3 billion. These funds will support critical preparations for 2010, improve accuracy of map features, and continue the American Community Survey on an ongoing basis. In addition, the Census Bureau will begin implementing early 2010 census operations such as address canvassing.

The International Trade Administration (ITA) supports U.S. commercial interests at home and abroad by strengthening the competitiveness of American industries and workers, promoting trade and investment, and ensuring fair trade and compliance with domestic and international trade laws and agreements. The President's FY 2009 budget requests \$420 million for ITA. This request includes an increase of \$4.2 million for enforcement of the Countervailing Duty Law with China and other non-market economies, as well as a decrease of \$3.0 million to reflect streamlining of Trade Promotion and domestic U.S. & Foreign Commercial Service offices.

The Economic Development Administration (EDA) assists states, regions, and communities in promoting a favorable business environment through capacity building, planning, infrastructure investments, research grants, and strategic initiatives. The President's FY 2009 budget requests \$133 million for EDA. The request reduces funding for the Economic Development Assistance Programs (EDAP) by \$149 million in order to support other Administration priorities.

The Bureau of Industry and Security (BIS) maintains an effective export control and treaty compliance system and promotes continued U.S. technology leadership in industries essential to national security. The President's FY 2009 budget requests \$84 million to enable BIS to effectively carry out this mission. The request includes \$2.4 million in program increases to upgrade export enforcement and to ensure compliance through end-users in foreign countries.

The Minority Business Development Agency (MBDA) promotes the ability of minority business enterprises (MBEs) to grow and participate in the global economy. The President's FY 2009 budget requests \$29 million to enable MBDA to continue its activities to increase MBE access to the marketplace and financing.

Goal 2: Promote U.S. innovation and industrial competitiveness (NIST, NTIS, USPTO, and NTIA)

- **Advance measurement science and standards that drive technological change**
- **Protect intellectual property and improve the patent and trademark systems**
- **Advance global e-commerce as well as telecommunications and information services**

The National Institute of Standards and Technology (NIST) provides measurement processes, reference data, test methods, and other technologies and services that are essential to the ability of U.S. industry to develop, manufacture, and export superior products reliably. The President's FY 2009 budget requests an appropriation of \$638 million for NIST. The request includes increases of \$71 million for research initiatives at NIST Laboratories and National Research Facilities, and \$62 million for Construction and Major Renovations as part of the President's 10-year American Competitiveness Initiative. The request includes \$4 million to transition Hollings Manufacturing Extension Partnership consulting centers to a self supporting basis as intended in the program's original authorization, and does not include new funding for the Technology Innovation Program (successor to the Advanced Technology Program).

The National Technical Information Service (NTIS) collects and preserves scientific, technical, engineering and other business-related information from Federal and international sources and disseminates it to the American business and industrial research community. NTIS operates a revolving fund for the payment of all expenses incurred and does not receive appropriated funds.

The Technology Administration (TA), which formerly provided policy oversight of NIST and NTIS through its Under Secretary for Technology, was abolished under the America COMPETES Act of (August) 2007. The Department will modernize its approach to technology policy by elevating those activities to the Secretarial level. NIST and NTIS remain as separate bureaus within the Department, with NTIS reporting to the Secretary through NIST.

The U.S. Patent and Trademark Office (USPTO) fosters innovation, such as through the research, development, and application of new technologies, by protecting inventors' rights to their intellectual property through the issuance of patents and trademarks. The USPTO also supports domestic and international efforts to protect these rights through enforcement. The President's FY 2009 budget request of \$2.1 billion in spending authority for the USPTO includes increases for both Patent and Trademark Processes. The USPTO will use these additional funds to reduce application processing time and increase the quality of its products and services. Consistent with recent prior years, the Administration proposes to fund the USPTO budget exclusively through offsetting fee collections, which are projected to cover the proposed spending authority.

The National Telecommunications and Information Administration (NTIA) develops telecommunications and information policy, manages the Federal radio spectrum, and performs telecommunications research, engineering, and planning. A key responsibility for NTIA is administration of the Digital Television Transition and Public Safety Fund (DTTPSF). The President's FY 2009 budget request of \$19 million in discretionary budget authority for NTIA includes a reduction of \$18 million to terminate further grants for Public Telecommunications Facilities, Planning, and Construction which is no longer necessary since public broadcasters are now broadcasting in digital format. During FY 2009, NTIA estimates obligating \$592 million from the DTTPSF to support several one-time programs created by the Deficit Reduction Act of 2005, most notably \$472 million for the Digital-to-Analog Television Converter Box Program. The other \$120 million in DTTPSF obligations include \$50 million to implement a national tsunami warning system and \$60 million to assist low power television stations in upgrading their signals from analog to digital formats.

Goal 3: Promote environmental stewardship (NOAA)

- **Protect, restore, and manage the use of coastal and ocean resources**
- **Advance understanding of climate variability and change**
- **Provide accurate and timely weather and water information**
- **Support safe, efficient, and environmentally sound commercial navigation**

The National Oceanic and Atmospheric Administration (NOAA) supplies information on the oceans and atmosphere, provides stewardship of our coastal and marine environment, and leads scientific research in such fields as ecosystems, climate, weather, and water. The President's FY 2009 budget requests \$4.1 billion in appropriations for NOAA. Most NOAA funding is requested for programs under its line offices:

The National Environmental Satellite, Data, and Information Service (NESDIS) provides timely access to global environmental data from satellites and other sources. The President's FY 2009 budget requests \$1.16 billion for NESDIS. Requested program increases include \$242 million for the next generation Geostationary Operational Environmental Satellite (GOES R) and \$74 million for the restoration of climate sensors that were demanifested during the Nunn-McCurdy review of the tri-agency National Polar-orbiting Operational Environmental Satellite System (NPOESS) Program. Requested decreases include \$49 million from the Polar Operational Environmental Satellite (POES) Program as it nears the end of production, and \$43 million consistent with DOD's certified Nunn-McCurdy estimate for the NPOESS Program.

The National Weather Service (NWS) provides critical observations, forecasts, and warnings. The President's FY 2009 budget requests \$931 million for NWS. These funds include \$37 million for program increases supporting NWS operations, research, and systems maintenance and acquisitions.

The National Marine Fisheries Service (NMFS) is responsible for the stewardship of the nation's living marine resources and their habitats. The President's FY 2009 budget requests \$724 million for NMFS. These funds include program increases of \$71 million, of which \$32 million directly supports implementation of the Magnuson-Stevens Fishery Conservation and Management Act of 2006.

The National Ocean Service (NOS) measures and predicts coastal and ocean phenomena, protects large areas of the oceans, and ensures safe navigation. The President's FY 2009 budget requests \$477 million for NOS. Program increases of \$44 million include \$10 million for implementing the Ocean Research Priorities Plan, \$7 million for Coastal and Estuarine Land Conservation Program competitive grants, and \$4 million for marine debris research, prevention, and reduction. Decreases include \$5 million from the Pribilof Islands Cleanup, which is scheduled for completion during FY 2008.

The Office of Oceanic and Atmospheric Research (OAR) provides the research foundation for understanding weather, climate, and ocean and coastal resources. The President's FY 2009 budget requests \$383 million for OAR. Requested program increases of \$10 million for climate and weather research include \$2 million for improvements to the National Integrated Drought Information System (NIDIS) and \$4 million for improvements to operational weather forecasts and hurricane research.

The Office of Marine and Aviation Operations (OMAO) supports NOAA's environmental and scientific missions by operating a wide variety of specialized aircraft and ships. The President's FY 2009 budget requests \$172 million for OMAO. Requested program increases of \$14 million include \$6 million to overhaul the survey ship RANIER and \$5 million for aviation operations.

The President's FY 2009 budget requests \$321 million for other program support. This includes corporate services such as policy formulation and direction, as well as facilities that serve a cross-section of NOAA missions. Requested program increases of \$72 million include \$40 million for the Pacific Regional Center, \$12 million for the Southwest Fisheries Science Center, and \$12 million for the NESDIS Satellite Command and Data Acquisition station in Fairbanks, Alaska.

The budget also requests \$37 million for the smaller accounts NOAA administers, primarily \$35 million for Pacific Coastal Salmon Recovery. This includes a \$32 million program decrease to reflect achievements in salmon recovery and allow for the more effective targeting of funding to the threatened and endangered stocks.

Management Integration Goal: Achieve organizational and management excellence

Departmental Management (DM) funds the Offices of the Secretary, Deputy Secretary, and their support staff. Staffs in these offices develop and implement policy, administer internal operations, and serve as primary liaisons to other executive branch agencies, Congress, and private sector entities. The President's FY 2009 budget requests \$20.9 million in discretionary appropriations for DM, which includes a \$48.6 million rescission from the Emergency Steel Guaranteed Loan Program. Highlights of proposed increases include \$7.1 million to upgrade IT security and ensure mission essential communications, \$3.6 million for infrastructure and security renovations to the 76-year-old Herbert C. Hoover Building, and \$2.3 million to support E-Government initiatives.

The request also includes an increase of \$1.0 million to provide dedicated support for the National Intellectual Property Law Enforcement Coordination Council (NIPLECC). NIPLECC is an interagency group established by Congress in 1999 to coordinate U.S. domestic and international intellectual property rights enforcement activities. The requested funds will support the Coordinator's office at the Department.

The Office of the Inspector General (OIG) strives to promote economy and efficiency, and detect and prevent fraud, waste, and abuse in Departmental programs and operations. The President's FY 2009 budget requests \$24.8 million to enable the OIG to continue to effectively meet these mandates. This request includes an increase of \$795 thousand to improve the security assessments of information systems across the Department.

Budget in Brief

This Budget in Brief (BIB) provides a summary of the Department of Commerce's programs that fulfill the mandates of the Department. It identifies the resources requested in the President's FY 2009 budget to implement these programs. It also provides the performance goals and measures associated with each of the bureaus to facilitate performance-based review of our programs.

The BIB contains four sections. The **Introduction** highlights how the Department of Commerce supports the President's agenda and the Administration's priorities. It identifies the aggregate resource levels the Department of Commerce seeks for FY 2009 to meet its planned performance targets, and summarizes major proposed program changes. The **Summary** contains tables and charts that display the Department's resources. These provide a view of funding and employment trends both short and long term.

The **Bureau by Bureau Descriptions** provide the detail of program activities and performance levels and the budget request supporting these activities. These chapters also include a framework that aligns the Commerce Strategic Plan with the programs' performance goals and measures. In FY 2005, the Annual Performance Plan was merged into the FY 2005 budget submission; this practice continues in the FY 2009 submission. Therefore, additional information on the Department's performance is provided in the FY 2009 budget submission and the FY 2007 Performance and Accountability Report. Finally, the Budget in Brief includes **authorizing legislation requirements** for FY 2009.