



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 11, 2005

H.R. 921 **Minority Serving Institution Digital and Wireless Technology** **Opportunity Act of 2005**

As ordered reported by the House Committee on Science on May 4, 2005

SUMMARY

H.R. 921 would create a new grant program within the Technology Administration of the Department of Commerce for educational institutions that serve minority students. Eligible institutions could use the funds to improve instructional capabilities and infrastructure related to digital and wireless technologies. The bill would authorize the appropriation of \$250 million for each of fiscal years 2006 through 2010 for this program and would require grant recipients to provide matching funds under certain conditions. The Under Secretary of Commerce for Technology would administer the new Minority Serving Institution Digital and Wireless Technology Opportunity Program with guidance from a special advisory council.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 921 would cost \$823 million over the 2006-2010 period. CBO estimates that enacting this bill would have no effect on direct spending or revenues.

H.R. 921 contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would result from complying with the conditions of federal assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 921 is shown in the following table. For this estimate, CBO assumes that the amounts authorized will be appropriated near the start of each fiscal year and that outlays will occur at rates similar to other educational grant programs. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	250	250	250	250	250
Estimated Outlays	30	130	200	228	235

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 921 contains no intergovernmental or private-sector mandates as defined by UMRA. The bill would benefit eligible institutions of higher education by authorizing \$250 million per year, for fiscal years 2006 through 2010, to strengthen their capacity to provide instruction in digital and wireless networking technologies. Public institutions could apply for and receive these grants; any costs they incur would result from complying with conditions of federal assistance.

PREVIOUS CBO ESTIMATE

On April 27, 2005, CBO transmitted a cost estimate for S. 432, an identically titled bill, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on April 14, 2005. The two versions of the legislation are similar and would authorize the same amount of appropriations. H.R. 921 would place the implementation of the program within the Department of Commerce while the Senate bill would establish an entirely new office within the National Science Foundation.

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