



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 24, 1998

S. 1609

Next Generation Internet Research Act of 1998

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on March 12, 1998*

SUMMARY

S. 1609 would authorize appropriations for 1999 and 2000 for a multiagency research initiative to advance the speed, flexibility, and robustness of the Next Generation Internet (NGI). The bill also would direct an existing federal advisory committee to assess and report on various aspects of the program's implementation. About 40 percent of the amounts authorized each year would support programs at the Defense Advanced Research Projects Agency (DARPA) within the Department of Defense. The remainder would be distributed among the National Science Foundation, the Department of Energy, the National Institutes of Health, the National Institute of Standards and Technology (within the Department of Commerce), and the National Aeronautics and Space Administration.

Assuming appropriation of the specified amounts, CBO estimates that implementing S. 1609 would increase discretionary spending by a total of \$214 million over the 1999-2003 period. The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1609 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA), and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For the purposes of this estimate, CBO assumes that the amounts authorized for the NGI programs will be appropriated near the start of each fiscal year and that outlays will follow the historical pattern for similar activities. We assume that the activities of the advisory committee will be funded from the amounts authorized for DARPA, consistent with the current funding arrangement for that advisory committee. The estimated budgetary impact of S. 1609 is shown in the following table. The costs of this legislation fall within budget

functions 050 (national defense), 250 (general science, space, and technology), 370 (commerce and housing credit), and 550 (health).

| | By Fiscal Year, in Millions of Dollars | | | | | |
|--|--|------|------|------|------|------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
| SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| NGI Spending Under Current Law | | | | | | |
| Net Budget Authority ^{a, b} | 60 | 0 | 0 | 0 | 0 | 0 |
| Estimated Outlays | 28 | 24 | 6 | 2 | 0 | 0 |
| Proposed Changes | | | | | | |
| Authorization Level | 0 | 103 | 115 | 0 | 0 | 0 |
| Estimated Outlays | 0 | 44 | 93 | 58 | 14 | 4 |
| NGI Spending Under S. 1609 | | | | | | |
| Authorization Level ^{a, b} | 60 | 103 | 115 | 0 | 0 | 0 |
| Estimated Outlays | 28 | 68 | 99 | 60 | 14 | 4 |

a. The 1998 level is the amount appropriated for that year.

b. The National Science Foundation was authorized to spend up to \$23 million on NGI in 1998 from amounts collected from Internet Domain Registrations. Because the spending would be funded by offsetting collections, the net budget authority for NSF's NGI activities in 1998 is zero.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1609 contains no intergovernmental mandates as defined in UMRA, and would impose no costs on state, local, or tribal governments. One of the goals of the NGI initiative is to connect 100 sites at speeds 100 times faster than those of today's Internet. Many of these sites would be publicly owned universities. Some of the funds authorized to be appropriated by this bill would be used for this purpose.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

The bill would impose no new private-sector mandates as defined in UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Kathleen Gramp

Impact on State, Local, and Tribal Governments: Pepper Santalucia

ESTIMATE APPROVED BY:

Robert A. Sunshine

Deputy Assistant Director for Budget Analysis