



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 1, 2000

**S. 1407  
Technology Administration Authorization Act for  
Fiscal Years 2001, 2002, and 2003**

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation  
on April 13, 2000*

**SUMMARY**

S. 1407 would authorize appropriations for fiscal years 2001 through 2003 for various technology programs administered by the Department of Commerce. Funds would be authorized for the National Institute of Standards and Technology (NIST), for the office of the Under Secretary for Technology, and for the Experimental Program to Stimulate Competitive Technologies (EPSCOT). The bill would authorize several new initiatives at NIST, including a science and technology training program for teachers, and an interagency board concerned with global positioning systems. Other provisions of the bill would modify existing programs, and would authorize NIST to transfer title to tangible personal property to recipients of funding from the Advanced Technology Program (ATP) under certain conditions. The bill also would require NIST and office of the Under Secretary to submit reports to the Congress on the status of the manufacturing sector in the digital age and the activities of the national laboratories.

Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1407 would cost about \$2 billion over the 2001-2005 period. Provisions regarding the transfer of title to personal property could affect direct spending; therefore, pay-as-you-go procedures would apply to the bill. CBO estimates, however, that the impact on direct spending would not be significant in any one year.

S. 1407 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and could benefit state and local governments.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1407 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit). For the purposes of this estimate, CBO assumes that all authorized amounts will be appropriated near the beginning of each fiscal year and that outlays will follow the historical spending patterns for the affected programs.

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
<b>SPENDING SUBJECT TO APPROPRIATION<sup>a</sup></b>						
Spending Under Current Law						
Budget Authority <sup>b</sup>	642	0	0	0	0	0
Estimated Outlays	648	420	210	76	33	11
Proposed Changes						
Authorization Level	0	657	677	692	0	0
Estimated Outlays	0	316	524	633	328	145
Spending Under S. 1407						
Authorization Level <sup>b</sup>	642	657	677	692	0	0
Estimated Outlays	648	736	734	709	361	156

a. This bill could affect direct spending if NIST chose to transfer title to some of the personal property acquired under ATP that otherwise would have been sold as surplus property under current law. Based on information provided by NIST, however, CBO estimates that the potential loss in sale receipts would not be significant in any one year.

b. The 2000 level is the amount appropriated for that year for specified technology programs with the Department of Commerce.

## PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending and receipts. Provisions in S. 1407 authorizing NIST to convey title to personal property could reduce offsetting receipts (a form of direct spending), but CBO estimates that any loss of receipts would not be significant in any single year.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

S. 1407 contains no intergovernmental mandates as defined in UMRA, but several sections of the bill would affect grant programs that benefit state and local governments. The bill would authorize appropriations totaling about \$352 million for the 2001-2003 period for the Manufacturing Extension Partnership (MEP), a program jointly financed by the federal government and state or local agencies. The MEP is a program designed to enhance productivity and technological performance in the United States and is made up of the State Technology Extension Program (STEP) and the Manufacturing Extension Centers Program (MECP). STEP provides technical assistance and planning grants to states to develop or revitalize their technology program. MECP involves cooperative agreements between the federal government and nonprofit institutions that are often funded by state or local development agencies or universities.

S. 1407 also would authorize appropriations for the Experimental Program to Stimulate Competitive Technology. This is a program to strengthen the technological competitiveness of states that have historically received less federal research and development funds than other states. These grants require at least a 25-percent match and are available to consortia including state and local governments. The bill would transfer the program from the Under Secretary of Commerce to NIST and authorize appropriations of \$3 million annually for fiscal years 2001 through 2003. Any costs to state or local governments to participate in these technology programs would be voluntary.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

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

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