



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 28, 2010

S. 3084

Export Promotion Act of 2010

*As ordered reported by the Senate Committee on Commerce, Science,
and Transportation on June 19, 2010*

SUMMARY

S. 3084 would authorize the International Trade Administration (ITA) to increase the number of employees that promote the participation of United States companies in international markets. The bill also would authorize appropriations for various programs in the Department of Commerce that improve the competitiveness of domestic companies in foreign markets.

Based on information from the ITA, CBO estimates that implementing S. 3084 would cost \$248 million over the 2011-2015 period, assuming the appropriation of the necessary amounts. Enacting S. 3084 would not affect direct spending or revenues; therefore, pay-as-you-go procedures would not apply.

S. 3084 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 3084 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars					2011- 2015
	2011	2012	2013	2014	2015	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Global Business Development						
Estimated Authorization Level	12	24	36	48	59	179
Estimated Outlays	10	22	34	45	57	168
Rural Export Initiative						
Authorization Level	5	5	5	5	5	25
Estimated Outlays	4	5	5	5	5	24
Global Business Development						
Authorization Level	30	0	0	0	0	30
Estimated Outlays	26	4	0	0	0	30
ExporTech Program						
Authorization Level	11	0	0	0	0	11
Estimated Outlays	9	2	0	0	0	11
Market Development Cooperator						
Authorization Level	15	0	0	0	0	15
Estimated Outlays	13	2	0	0	0	15
Total Changes						
Estimated Authorization Level	73	29	41	53	64	260
Estimated Outlays	62	35	39	50	62	248

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted before the end of fiscal year 2010, that the necessary amounts will be appropriated for each year, and that spending will follow historical patterns for similar programs. CBO estimates that implementing S. 3084 would cost \$248 million over the 2011-2015 period, assuming appropriation of the necessary amounts.

Global Business Development

S. 3084 would require the ITA to increase the number of employees whose primary responsibilities involve promoting the participation of U.S. firms in foreign markets. Within five years of enactment, the agency would be required to increase the number of staff performing those activities to the same number that performed this work in fiscal year 2004. Based on information from the ITA, CBO expects that the agency would need to hire

about 210 additional employees over five years to reach that staffing level. We estimate that implementing those requirements would cost \$168 million over the 2011-2015 period.

Other Export Initiatives

The bill would authorize the appropriation of \$81 million for a number of programs designed to improve the competitiveness of U.S. businesses in international markets. CBO estimates that implementing those provisions would cost \$80 million over the 2011-2015 period. Those costs would include:

- \$24 million for a program to improve the access of rural businesses to the global marketplace;
- \$30 million to promote the expansion of small- and medium-sized businesses in foreign markets;
- \$11 million to expand ExporTech, a program jointly sponsored by the ITA, the National Institute of Standards and Technology, and educational, state, and private institutions that provides technical assistance to small- and medium-sized businesses that want to expand into international markets; and
- \$15 million to establish partnerships between public institutions and private enterprises through the ITA's Market Development Cooperator Program (MDCP). The MDCP provides technical and financial assistance to nonprofit groups representing manufacturing and service industries to support projects that improve their industries' competitiveness in foreign markets.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 3084 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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