

S. 1427, Global Leadership in Advanced Manufacturing Act of 2019

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on July 10, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	-85	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

Bill Summary

S. 1427 would amend the authorization for Manufacturing USA, a federal grant program administered by the National Institute of Standards and Technology (NIST) that funds a national network of advanced manufacturing institutes. The bill also would eliminate the authority of the Department of Energy (DOE) to transfer appropriated funds to NIST. Finally, the bill would amend the authorization for the Regional Innovation Program administered by the Economic Development Administration (EDA).

Federal Costs

On net, CBO estimates that the bill would increase authorized appropriations by \$15 million over the 2020-2024 period. Assuming appropriation actions consistent with legislative language, CBO estimates that implementing the bill would reduce outlays for those authorizations by \$85 million over the same period. The costs of the legislation (as detailed in Table 1) fall within budget function 370 (commerce and housing credit).

Current law authorizes the appropriation of \$5 million a year through 2024 for NIST to carry out the Manufacturing USA program. S. 1427 would authorize whatever amounts are necessary for that program each year through 2030. The bill would require NIST to implement and enforce more rigorous metrics-based performance standards, carry out new pilot programs, develop best practices for network membership agreements, and perform other activities not required under current law. Using information from the agency, CBO



estimates that NIST would need an additional \$3 million each year through 2024 to administer the Manufacturing USA program. Assuming appropriation of the estimated amounts, CBO estimates that implementing the bill would cost \$12 million over the 2020-2024 period.

Table 1.
Estimated Changes in Spending Subject to Appropriation under S. 1427

	By Fiscal Year, Millions of Dollars						2019-2024
	2019	2020	2021	2022	2023	2024	
NIST							
Estimated Authorization	0	3	3	3	3	3	15
Estimated Outlays	0	1	2	3	3	3	12
DOE							
Estimated Authorization	0	-50	-50	-50	-50	-50	-250
Estimated Outlays	0	-23	-45	-50	-50	-50	-218
EDA							
Authorization	0	50	50	50	50	50	250
Estimated Outlays	0	3	14	25	39	40	121
Total Changes							
Estimated Authorization	0	3	3	3	3	3	15
Estimated Outlays	0	-19	-29	-22	-8	-7	-85

NIST = National Institute of Standards and Technology; DOE = Department of Energy; EDA = Economic Development Administration.

Current law also authorizes DOE to transfer a total of \$250 million in appropriated funds over the 2015-2024 period to NIST to carry out the Manufacturing USA program. To date, DOE has not used that authority. S. 1427 would eliminate that authority, which CBO estimates would reduce spending subject to appropriation by \$218 million over the 2020-2024 period, assuming appropriations to DOE through 2024 are reduced by \$250 million.

Finally, current law authorizes the appropriation of \$10 million each year through 2019 for the EDA's Regional Innovation Program. (In 2019, the Congress provided \$23.5 million for the program.) S. 1427 would authorize the appropriation of \$50 million each year from 2020 through 2024 for that program, which CBO estimates would cost \$119 million over the 2020-2024 period, assuming appropriation of the authorized amounts.

On May 29, 2019, CBO transmitted an estimate for H.R. 2397, the American Manufacturing Leadership Act, as ordered reported by the House Committee on Science, Space, and Technology on May 1, 2019. The two bills are similar and the estimated budgetary effects for the two bills reflect differences in the legislative language.

The CBO staff contact for this estimate is David Hughes. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.