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NIST Funding in FY 2001 Bills (in \$ millions)

	NIST Core	ATP	I3P	Manufacturing Extension Partnership	Construction	Total
Administration Request	337.508	175.467	50.000	114.137	35.879	712.991
Senate Appropriation	305.003*	153.600		109.137	28.879	596.619
House Appropriation	292.056	0		104.836	26.000	422.892
Senate Authorization	337.508*	146.878		124.137	35.879	644.402
House Authorization	Not released					

* Committee Bills, not yet passed by the Senate as a whole

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20502

cc: Kelly
Epstein

MEETING WITH SENATOR GREGG

DATE: September 21, 2000
TIME: 11:00 AM-11:30 AM
LOCATION: 393 Russell Building

FROM: Gerald Epstein 

I. Objectives

We scheduled this meeting on behalf of Norm Augustine to give him and you the opportunity to seek the Senator's support in funding the Institute for Information Infrastructure Protection

II. Background

- Senator Gregg served from 1981 - 1989 in the House of Representatives, and as Governor of NH from 1989 - 1993. He is a close friend of Sen. Lott, and is heavily involved with the Bush Campaign, playing the role of Vice President Gore in Bush's prep for the upcoming debates.
- He is the chairman of the Senate Commerce, Justice, State and Judiciary Appropriations Subcommittee, which has jurisdiction over NIST's budget, and hence the funding for the Institute for Information Infrastructure Protection ("the Institute"). The full Senate has not yet voted on this appropriations bill, but the Appropriations Committee passed their version which does not include any of the requested \$50M for the Institute. The House has passed their version, which also does not fund the Institute
- Neither the Senate nor the House Commerce Authorization bills authorizes the Institute
- Senator Gregg's perspective on Critical Infrastructure Protection (CIP), as evidenced by the hearings he has held, seems to be that CIP is a counter-terrorism issue, and therefore properly the domain of the Justice Department
- Senator Gregg is the author and supporter of a National Institute of Justice R&D effort which funds two programs that may compete with the Institute -- one at Dartmouth which targets cyber terrorism issues, and one run by the Oklahoma City Memorial Foundation that looks at counter-terrorism and WMD. Both received \$15M in FY 00, and under the Senate Appropriations Committee version of the appropriations bills will receive \$18M in FY 01. Note that nothing would preclude either of these two organizations from competing for work and funds under the Institute's charter, as laid out in the White Paper (Tab C)

- Efforts to educate both the appropriations committee staff and the Commerce Committee staff on the Institute did not happen until late summer, primarily because the White Paper was not finalized until then. That is admittedly very late in the process.
- A possible question Sen. Gregg could ask is where you think the \$50M for the Institute should come from, since there is unlikely to be any new money for this appropriations bill.

III. Participants

Senator Gregg's office	Senator Gregg Possibly other staff
PCAST	Norm Augustine
OSTP	Gerald Epstein

Attachments

Tab A	Suggested Talking Points for you
Tab B	Copy of background material sent to Norm Augustine
Tab C	Copy of Final White Paper on the Institute

Talking Points for meeting with Senator Gregg on funding for the Institute for Information Infrastructure Protection:

- President's Committee of Advisors in Science and Technology has called attention to the urgent need to establish an Institute to support research to protect information infrastructure. They found that this research will not otherwise be performed by the private sector -- since there is no immediate market incentive -- or by government, since existing programs are insufficient to address the needs. PCAST members Norm Augustine -- former CEO, Lockheed Martin -- and John Young, former CEO, Hewlett Packard -- have taken the lead in championing this proposal.
- The Administration (with OSTP lead; NSC also strongly supports) has vetted this idea widely among industry and academic experts; interviews with over 100 experts strongly support need to create an Institute dedicated to this purpose.
- We are not proposing to create another government lab. The Institute will have a very small staff and will perform little or no technical activity in-house. Instead, its function is to work closely with private industry and the technical community to identify critical research needs, and to plan and fund R&D to meet those needs. R&D to be done in the best qualified outside institutions -- be they industry, academic, or existing government laboratory.
- It is critically important to have a dedicated body of experts having responsibility for assessing the state of research in this area -- and working closely with industry and academia on continuous basis to fill the gaps.
- Since the infrastructure we must protect is for the most part owned and operated by the private sector, we have proposed to establish this Institute as an innovative public/private partnership. We must ensure that the Institute is in close touch with the industry that must implement its solutions.

IF ASKED WHY CAN'T NIST'S ADVANCED TECHNOLOGY PROGRAM, OR SOME OTHER AGENCY SUCH AS DARPA, HANDLE THIS:

- It is true that certain individual R&D programs could be supported through existing government programs such as NIST's ATP or DARPA. However, our judgement -- and that of the industry and academic experts with whom we have consulted -- is that a dedicated Institute is required to create the "critical mass" needed give this problem the focus and the attention that it deserves.
- Solving this problem requires communication and collaboration with industry in a way that the Institute is designed to accomplish. Government program

through existing agencies have an important role as well, but cannot address the full set of issues.

- Some of the most important technical issues that the Institute will examine -- such as gaining a better fundamental understanding of the properties and behavior of a system as complex and interconnected as our information infrastructure -- will not be adequately addressed by funding a few research projects or programs.

*FOR YOUR INFORMATION: DESCRIPTIVE MATERIAL ABOUT THE
INSTITUTE FOR INFORMATION INFRASTRUCTURE PROTECTION (I3P):*

- I3P to be created as a non-governmental, not-for-profit institution funded through a cooperative agreement with the National Institute of Standards and Technology.
- Management of the Institute to be selected through full and open competition
- Institute is to have a Board of Directors representing the full range of relevant industry -- the vendors, suppliers, and users of the information infrastructure -
- as well as key technical experts from academia and elsewhere



Terrence K. Kelly
09/20/2000 11:16:41 AM

Record Type: Record

To: norm.augustine@lmco.com
cc: Gerald L. Epstein/OSTP/EOP@EOP
Subject: Info for Sen. Gregg meeting

Jean -- Here is some info on Sen. Gregg. Neal Lane will be able to attend this meeting as well, and will meet Norm at the Senator's office, unless Norm would like other arrangements. If so, please let me know so that I can coordinate them.

- Senator Judd Gregg (R-NH) took office in 1993. He is in Room 393 of the Senate Russell Building, and his phone is 202-224-3324.
- He served from 1981 - 1989 in the House of Representatives, and as Governor of NH from 1989 - 1993. He is a close friend of Sen. Lott, and is heavily involved with the Bush Campaign, playing the role of Vice President Gore in Bush's prep for the upcoming debates.
- He is the chairman of the Senate Commerce, Justice, State and Judiciary Appropriations Subcommittee, which has jurisdiction over NIST's budget, and hence the funding for the Institute for Information Infrastructure Protection ("the Institute")
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I will also send the talking points we are preparing for Neal Lane a bit later today. Attached below is the White Paper that Norm worked with Neal and Ray Kammer from NIST, in case he needs a copy.



White Paper -- final.doc

Please call if you need more support, or need more information (202-456-6057). And thanks very much for your help on this.

Thx,
Terry Kelly

C

WHITE PAPER
ON THE
INSTITUTE FOR INFORMATION INFRASTRUCTURE PROTECTION

July 11, 2000

Information technologies have revolutionized virtually every aspect of life during the past decade, affecting our Nation in ways as diverse as how business is transacted, to how our government functions, to the manner in which the military responds to crises. Importantly, every critical infrastructure upon which our security, our economy, and our way of life depend is linked to or reliant upon the information infrastructure. The United States must therefore be able to assure the robust, reliable, and continuous operation of the national information infrastructure.

Our nation's information infrastructure is a tightly coupled, highly complex, highly nonlinear system – and our current understanding of its robustness, resilience, and behaviors is rudimentary at best. New features and software are continually being developed and deployed on this complex system, without understanding their potential interactions or unintended operating characteristics. The susceptibility of the information infrastructure to cascading failures, the network architectures or operating conditions that would foster such breakdowns, and the theoretical basis for understanding and analyzing the infrastructure's operation are not well known. System architectures that would improve survivability, allow graceful degradations under stress, and ease reconstitution following failures – whether due to attacks, natural disasters, or human error – could dramatically improve the robustness, resilience, and security of the infrastructure.

The federal government and the private sector are now making substantial investments in cybersecurity technologies. However, neither the private nor public sectors are adequately elucidating the fundamental principles that underlie complex, interconnected infrastructures, or developing key technologies or analytic methodologies crucial to protecting the information infrastructure. Despite the fact that it owns and operates the vast majority of the information infrastructure, the private sector will not invest in security-related technologies if those technologies are too long term, too high risk, too easily adopted by competitors, or otherwise unlikely to generate returns that can be captured by an investor. Such technologies are “public goods” – their development and adoption would benefit the nation as a whole, but they would not benefit any single firm enough for that firm to shoulder their investment cost. Therefore, government becomes the only realistic underwriter to ensure that these technologies are developed – a need that extends beyond funding, since these technologies will serve no useful purpose if they are not adopted and deployed. Just as our government defends the nation's highways, airways and sea lines of communications, so too must it play a leadership role in defending the nation's information and communications highways.

The obligation to ensure that these technologies are placed into operational practice differentiates infrastructure protection R&D from other areas where government invests in development of industrially relevant R&D. Existing government technology programs do an excellent job of

developing and implementing new technology in those areas where industry is eager to participate, and where the risk of failure affects only the original investment. In infrastructure protection, however, failure to adopt new security technologies means that vulnerabilities in the nation's information infrastructure will persist. To eliminate these vulnerabilities, the government cannot afford to deal only with those firms that are highly motivated to collaborate – it must also engage those private sector owners, operators, providers, and users of information technology products and services that may not know of, or may not be particularly motivated to adopt, technologies developed through government investment. To enlist the participation of these more reluctant partners, government must adopt innovative business incentives that provide the private sector with a greater degree of visibility, participation, and “buy-in” than is associated with many traditional government agency programs and procedures.

The rapid – indeed, explosive – pace of technology change presents its own R&D management challenges. Commercial product cycles can be as short as three or four months, whereas government budget cycles span two to three years. It is difficult for the government to anticipate – years in advance – the technologies needed to mitigate future information infrastructure vulnerabilities and reduce future threats. Conventional government technology acquisition processes, which often require months to years to execute major procurements, may not be flexible or nimble enough to address the pressing – and rapidly evolving – technology requirements to ensure the security of our information infrastructure. Finally, the government's time cycle for hiring (and firing) and providing incentives for employees is incompatible with everyday practices in the global information-based human resource marketplace.

Given these conditions, the President's Committee of Advisors on Science and Technology (PCAST) has recommended the establishment of a non-governmental Institute for Information Infrastructure Protection (IIIP). In response to this recommendation, the Administration proposes to create such an Institute, funded through a cooperative agreement with the National Institute of Standards and Technology (NIST). The Institute will be an innovative public/private partnership that will have the required agility to address these pressing needs with the best talent the Nation has to offer. Given our ever-growing dependence upon information technologies, the increasingly sophisticated threats to information systems and networks, the ongoing possibility of natural disaster or human error, and the extraordinarily rapid pace of information technology change, the Institute offers the greatest promise of rapidly creating, disseminating, and ensuring the early adoption of those technologies and fundamental knowledge most urgently needed to protect our information infrastructure.

I. Background

In late 1998, PCAST's Security Panel became concerned that existing government research mechanisms were not responsive enough to address security challenges in the rapidly growing and evolving information infrastructure. In a December 10, 1998, letter to the President, PCAST expressed its concerns and proposed that the government establish a "Laboratory for National Information Infrastructure Protection" (LNIIP). PCAST noted,

At present there is no technical organization dedicated to developing the knowledge and common technology base required to successfully address this problem and provide the basis for long term protection. The private sector does not have the incentive to develop the public knowledge and technology base required for the development of competing interoperable proprietary systems--thus federal support is needed. The justification for acquiring the needed knowledge and technology through government support of a new not-for-profit laboratory is that while most of the critical infrastructure lies outside the government, only the government is in a position to derive and make broadly available the information needed to assure the integrity of our nation's information network.

In his February 22, 1999, response to PCAST, the President agreed with the importance of protecting the Nation's critical infrastructures, including interconnected electronic networks. He directed the Office of Science and Technology Policy (OSTP) and the National Security Council (NSC) to perform a priority review of PCAST's proposal. This review, supported by an analysis of the concept by the Institute for Defense Analyses, concluded that there is a need for such an Institute. During an OSTP-PCAST meeting with the chief technology officers of 15 leading information and communications corporations, the private sector representatives unanimously endorsed the concept of a non-governmental, not-for-profit Institute to develop and disseminate technologies addressing urgent information infrastructure security issues of the type not normally addressed by individual private sector firms. In January 2000, the President announced his intent to establish an Institute for Information Infrastructure Protection, and in February he requested \$50 million in fiscal year 2001 funding for the Institute in the NIST budget.

II. Strategic Objective

The Institute will foster the creation and dissemination of knowledge and technologies that are crucial to protecting the information infrastructure, and that will not otherwise be sufficiently developed by the private sector, government, or academia.

III. Guiding Principles

- The Institute must stay abreast of the rapid evolution of information technology. This requirement has direct implications for Institute operations and funding procedures: the Institute must be able to identify, fund, develop, disseminate, and encourage the early adoption of technologies on time scales rapid enough to keep pace with evolving vulnerabilities in and threats to the information infrastructure.
- The Institute must define and assure the execution of an R&D portfolio that will help protect the national information infrastructure. It must therefore have broad access to both executive and technical leadership in government and the private sector. Likewise, the Institute must be aware of relevant ongoing and planned research in the private sector, government, and academia.
- The Institute must reach out broadly to the nation's technical community to seek solutions to the problems it and others have identified, complementing and leveraging the very substantial base of R&D already being conducted in separate but related fields. Moreover, it must be organized and operated in a way that maximizes the implementation of technologies developed under its auspices. Consequently, it must enlist the active and widespread participation of the largely-private sector owners, operators, vendors, and users of information infrastructure equipment and services in defining and executing the Institute's R&D agenda. It must not restrict its research support to a small or a closed set of institutions, particularly institutions that may be involved in its own management.
- The federal government must retain ultimate oversight, strategic guidance, and accountability for the expenditure of public funds. Technologies developed under the auspices of the Institute must support the protection of personal privacy and civil liberties.

IV. Organizational Structure

- The Institute will be a nongovernmental organization funded through a cooperative agreement with NIST.
- NIST will select the management organization for the Institute through a full and open competition, using criteria that include ones discussed in the following section. NIST will recompute the cooperative agreement every five years.
- Through its cooperative agreement with the Institute, NIST will exercise strategic guidance and oversight over the Institute without becoming involved in the Institute's day-to-day management or activities.

- NIST will also coordinate with other Federal Government Departments and Agencies to ensure that the Federal Government's interests as a major developer and user of information technologies are conveyed to the Institute.
- The Institute's management organization shall be a non-profit entity, a for-profit organization, a university, or some consortium or association of institutions in one or more of these categories. The Institute shall be governed by a private sector Board of Directors, as described in the following section. The Board of Directors, among other duties, shall be responsible for selecting the Institute's Chief Executive Officer.
- The Institute will strive to have the highest caliber technical experts on its small staff, which will consist of employees of the management organization as well as recognized experts from government, industry, academia, and other personnel who have been detailed or assigned to the Institute. The Institute's Chief Executive Officer shall be authorized to hire and fire employees of the management organization and shall be able to approve or terminate on short notice details or assignments of personnel from other organizations. Staff will rotate through the Institute on 3 to 5-year terms, thus constantly renewing itself and ensuring that staff members have the requisite subject matter currency and expertise. Subject to Board approval, the Institute will set its own personnel practices and standards that will be binding on employees of the management organization and that will set a standard that employees of other organizations who have been assigned or detailed to the Institute would be expected to follow where appropriate.
- The Institute will heavily focus its R&D funding on extramural research at those organizations most qualified to perform it, whether in the private sector, government, or academia. It will conduct little or no research in-house.
- The Institute's staff shall include an analytic core with the intellectual capability not only to manage the current research portfolio but to integrate and synthesize the disparate research activities supported by the Institute and elsewhere; to chart the course for future work; and to recommend modifications to the information infrastructure, taking into account technical findings as well as legal/social considerations. The staff shall also develop, for approval by the Board of Directors, long-term strategic plans, R&D roadmaps, and proposed research "Grand Challenges."
- The Institute will cultivate and maintain close relationships with organizations responsible for related, non-R&D missions such as setting standards, promulgating best practices, evaluating products, etc. Although the Institute will not directly set standards or develop best practices, it will ensure that relevant research results are made available to the appropriate organizations.
- Given the nature of its organizational structure and mission, the Institute must establish a set of policies related to intellectual property rights. The Institute must carefully

balance the need to protect intellectual property and to provide incentives for the implementation of technology developed under its auspices, with the need to disseminate as broadly and rapidly as possible the research results and technologies developed under its programs.

V. Award Selection Criteria

Proposals by entities seeking to manage the Institute shall be evaluated according to criteria that include the following:

- **Preference for Consortia.** Proposals from consortia that include academic institutions will be preferred. For-profit firms and non-profit institutions would also be eligible to bid, either alone or as a member of such a consortium.
- **Breadth of Representation on the Board.** The proposal will specify a Board of Directors providing widespread participation from academia and from the private sector. No more than one-third of the Board shall be affiliated with any of the institutions involved in managing the Institute. Private sector participants would represent – or have experience with – firms that manufacture, provide, and operate information infrastructure-related products and services; they would also represent customers of those products and services. Board members would recuse themselves from actions pertaining to institutions they were personally associated with, and they should not have potential conflicts of interest that would be so pervasive as to preclude effective contributions to the Board.
- **Quality, Openness, and Flexibility of Research Agenda.** The proposal should describe the general research agenda to be supported by the Institute, delineating the topics to be addressed and timescale over which results would be anticipated. This research agenda should not be so detailed that it overly constrains the Institute’s flexibility to follow the rapid evolution of information technology. The proposal should delineate what areas of research, if any, would be done internally to the Institute, what would be done outside the Institute but by organizations involved in the Institute’s management, and what would be supported through subcontracts or grants from the Institute to outside parties. One evaluation criterion for award – and renewal – of the Institute contract would be the degree to which the Institute engaged a wide and open pool of potential contributors and resisted the tendency to support a small and restricted set of participants. Ability to respond in a flexible and timely manner to new developments would also be important.
- **Replenishing the Pool of Information Security Researchers.** Given the importance of developing an adequate supply of information security researchers, one selection criterion for proposals will be the degree to which they support multi-year, university-based research that provides a sufficiently stable funding stream to support graduate students and faculty hiring.

- **External Review.** Proposals shall discuss the review mechanisms to be used to ensure the relevance and technical excellence of the Institute's R&D agenda, such as provision for independent external review by bodies such as the President's Information Technology Advisory Council, the National Infrastructure Assurance Council, and/or the National Research Council. External reviews provided to the Board of Directors shall be shared with NIST.
- **Technology Transition.** Another selection criterion would be the expectation that research results or new technologies supported by the Institute would be adopted by firms or entities that are appropriate to implement them. Factors such as the participation of relevant firms in the research would be one way to demonstrate this. However, this criterion must be balanced against the need to conduct fundamental research that may be more difficult to translate directly into the marketplace.
- **Headquarters Location.** Proposals shall specify a location for the Institute's headquarters that will facilitate accomplishment of the Institute's mission. The headquarters should be located convenient to centers of information infrastructure R&D, easily accessible for travel, and attractive to the type and calibre staff that will need to be recruited to make it effective. The Institute's headquarters are not envisioned to be located on federal government property.
- **Cost-sharing by industry, while acceptable, is not intended to be a selection criterion.** The Institute is intended to support research that is not being done in the private sector and for which there is little expectation of economic return to a particular firm. Therefore, at least initially, it is not expected that industry will contribute significant financial support. The Institute will, however, make provision to accept contributions and/or in-kind support from such non-federal sources.

VI. Research Agenda

- The Institute's staff shall periodically propose, for review and approval by the Board of Directors, updates to the Institute's general R&D agenda.
- The agenda should include a set of research Grand Challenges, centering on research themes crucial to protecting and enhancing the security of the information infrastructure that are not likely to be sufficiently supported by the private sector or by government in the absence of the Institute. Examples are provided in the Annex. Ideally, Grand Challenges would pose questions whose solutions will drive significant advances in scientific understanding and technology development. While Grand Challenges may complement existing research programs, they should not duplicate ongoing or planned government, private sector, or academic research.

- The defining characteristic for Grand Challenges and other Institute-sponsored R&D is that they address important concerns that would not otherwise be sufficiently addressed. This characteristic does not necessarily imply a time horizon for the research – although it is expected that a considerable portion of the Institute’s work portfolio will consist of high payoff/high risk endeavors, it would also be appropriate for the Institute to support important shorter-term R&D that the private sector has little incentive to conduct.
- The research agenda shall include development of a better fundamental understanding, including theoretical work, of the general properties of the information infrastructure, such as how it degrades and how it can be made resilient under stress.
- Given the global nature of the information infrastructure, the multinational character of many leading information technology vendors and service providers, and world-class research institutes abroad, the Institute shall draw on the global technology base in the absence of specific reasons to limit such participation, and it shall pursue international collaborative research programs when desirable.
- The Institute is not anticipated to sponsor any classified activity. However, the Institute must have provisions to handle, safeguard, and restrict the dissemination of sensitive or proprietary research results, information, or data. Moreover, it would be inappropriate to exclude the possibility that special circumstances calling for security classification could arise.
- The education of the next generation of researchers and professors in information assurance and security technologies is of critical national importance. One task of the Institute is to encourage support of research in university settings, which will help develop this next generation of information security researchers and educators. For example, this could include sponsorship of significant multi-year research activities at universities in collaboration with corporations and national laboratories, or equipment grants to establish test beds and laboratories for these collaborations. These actions would provide opportunities for graduate student support and a sufficiently stable research environment to justify and support faculty hiring.

ANNEX: CANDIDATE TOPICS TO BE SUPPORTED BY THE INSTITUTE FOR INFORMATION INFRASTRUCTURE PROTECTION

A number of high priority research areas to meet the needs of both public and private components of the national information infrastructure have been identified in the process of planning the Institute for Information Infrastructure Protection, and the Institute's initial R&D agenda might include any of the following. These topics, either individually or combined in technically related groups, could constitute candidate "Grand Challenges":

- Robustness, resilience, and behavior of tightly coupled, highly complex, highly nonlinear systems
- Network system interactions and vulnerabilities to cascading effects
- System architecture to ensure survivability; graceful degradation under stress; ease of reconstitution
- Develop fundamental principles, scientific basis, methodologies, and metrics for information assurance as an engineering discipline
- Next-generation intrusion and malicious code detection
- Visualization of system security information
- Self-healing systems
- Security and forensics toolkits
- Increasing resistance to penetration
- Concepts for high-confidence systems and software
- Information assurance for emerging information technologies
- Design of "testbeds" and other means for experimentally validating network security technologies
- Physical/cyber/human interfaces

Intragovernmental funds—Continued

NTIS REVOLVING FUND—Continued

Balance Sheet (in millions of dollars)—Continued

Identification code 13-4295-0-3-376	1998 actual	1999 actual	2000 est.	2001 est.
1803 Property, plant and equipment, net	6	1	1	
1901 Other assets		7	7	
1999 Total assets	50	48	48	
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	13	11	11	
2105 Other		15	15	
Non-Federal liabilities:				
2201 Accounts payable	2	2	2	
2207 Other	24	8	8	
2999 Total liabilities	39	36	36	
NET POSITION:				
3300 Cumulative results of operations	11	11	11	
3999 Total net position	11	11	11	
4999 Total liabilities and net position	50	47	47	

Object Classification (in millions of dollars)

Identification code 13-4295-0-3-376	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	14	12	
12.1 Civilian personnel benefits	3	3	
22.0 Transportation of things	1	2	
23.1 Rental payments to GSA	1	1	
23.2 Rental payments to others		1	
23.3 Communications, utilities, and miscellaneous charges	2	2	
24.0 Printing and reproduction	2	3	
25.2 Other services	4	12	
25.3 Purchases of goods and services from Government accounts	2	1	
25.7 Operation and maintenance of equipment	1	1	
26.0 Supplies and materials	1	1	
31.0 Equipment	2	1	
99.0 Subtotal, reimbursable obligations	33	40	
99.9 Total new obligations	33	40	

Personnel Summary

Identification code 13-4295-0-3-376	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment	322	260	

SCIENCE AND TECHNOLOGY

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

Federal Funds

General and special funds:

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, [\$283,132,000] \$337,508,000, to remain available until expended, of which not to exceed [\$282,000] \$6,200,000 may be transferred to the "Working Capital Fund". (15 U.S.C. 272, 273, 278b-e, 278g-h, 278p, 290b-f, 1151-57, 1454(d), 1454(e), 1501, 1512, 3711a; 40 U.S.C. 759(f); Department of Commerce and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(1) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Program and Financing (in millions of dollars)

Identification code 13-0500-0-1-376	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating expenses			
Measurement and engineering research and standards:			
00.01 Electronics and electrical engineering	38	39	40

00.02 Manufacturing engineering	19	19	24
00.03 Chemical science and technology	32	32	32
00.04 Physics	29	29	38
00.05 Materials science and engineering	50	53	58
00.06 Building and fire research	15	15	14
00.07 Computer science and applied mathematics	42	45	56
00.08 Technology assistance	18	18	17
00.09 National quality program	4	6	5
00.10 Research support activities	32	34	48
10.00 Total new obligations	279	290	332

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	6	7	
22.00 New budget authority (gross)	280	282	332
22.10 Resources available from recoveries of prior year obligations	1	1	1
23.90 Total budgetary resources available for obligation	287	290	333
23.95 Total new obligations	-279	-290	-332
24.40 Unobligated balance available, end of year	7		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	280	283	338
40.76 Reduction pursuant to P.L. 106-113		-1	
41.00 Transferred to other accounts			-6
43.00 Appropriation (total discretionary)	280	282	332

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	78	74	72
73.10 Total new obligations	279	290	332
73.20 Total outlays (gross)	-283	-290	-322
73.45 Adjustments in unexpired accounts	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	74	72	82

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	223	217	256
86.93 Outlays from discretionary balances	60	73	66
87.00 Total outlays (gross)	283	290	322

Net budget authority and outlays:

89.00 Budget authority	280	282	332
90.00 Outlays	283	290	322

Summary of Budget Authority and Outlays

(in millions of dollars)			
Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	280	282	332
Outlays	283	290	322
Supplemental proposal:			
Budget Authority		1	
Outlays		1	
Total:			
Budget Authority	280	283	332
Outlays	283	291	322

The National Institute of Standards and Technology (NIST) is responsible for the measurement foundation that supports U.S. industry, Government, and scientific establishments. NIST's intramural research program is funded by the Scientific and Technical Research and Services appropriation.

Measurement and engineering research and standards.—

Electronics and electrical engineering.—Includes infrastructure research efforts to support the fundamental electronic technologies of semiconductors, magnetics, and superconductors; information and communications technologies, such as fiber optics, photonics, microwaves, and video; electrical power systems; the advanced manufacturing of electronic products; electronic measurement instrumentation; and, provision of the physical standards for electricity.

Manufacturing engineering.—Encompasses research in high-precision dimensional measurement and precision engineering; robotics and intelligent machines; manufacturing data description, data administration, and information processing; and, advanced sensors for manufacturing processes

Chemical science and technology.—Covers fundamental investigations of measurement-based phenomena related to the composition and behavior of chemical and biochemical systems. This research includes developing and improving measurement capability and quantitative understanding of the underlying physical principles of measurement science.

Physics.—Includes investigation of the structure and dynamics of atoms, molecules, and micro- or nanoscale structures and the development of high performance sensors, instrumentation, measurement methods, and standards for time, frequency, and optical and ionizing radiation.

Materials science and engineering.—Covers research in materials characterization, nondestructive evaluation, metallurgy, polymers, and ceramics and addresses the measurement, standards and technological issues required to stimulate the more effective production and use of materials.

Building and fire research.—Includes research and development of technologies to predict, measure, and test the performance of construction materials, components, systems, and practices, and to investigate the scientific principles that govern the phenomena of fire initiation, propagation, and suppression.

Computer science and applied mathematics.—Includes development and demonstration of evaluation techniques, testing methods, and standards to enable usable, reliable, and interoperable computer and telecommunications systems; and provides leadership and collaborative research in the application and use of mathematics, statistics and computer science, and support of computing and telecommunications services.

Technology assistance.—Provides a central source of information and assistance for U.S. industry, academia, and Government regarding national and international standardization certification and conformity assessment activities and provides, on a reimbursable basis, centralized access to critically needed services, including Standard Reference Materials, Standard Reference Data, calibration and legal metrology services, and laboratory accreditation programs.

National Quality Program.—Extends U.S. competitiveness through performance excellence criteria and other information transfer, and administration of the Malcolm Baldrige National Quality Award.

Research support activities.—Includes centrally managed activities that provide support to all other NIST programs. This support includes competence development in NIST mission-oriented areas of research, high caliber postdoctoral scientists and engineers, and computing support for research programs, and financial management systems development.

These program activities are included in the 21st Century Research Fund.

Performance Measures.—The activities under this account support two Commerce strategic goals: promote economic growth and stimulate innovation for competitiveness.

1. Provide technical leadership for the Nation's measurement and standards infrastructure and assure the availability of essential reference data and measurement capability. NIST evaluates the performance of its laboratories through external peer review (conducted by the National Research Council), economic impact studies, and evaluation of numerous scientific and technical outputs.

2. Assist U.S. businesses and other organizations in continuously improving their productivity and efficiency by adopting performance and quality management practices.

	1999 actual	2000 est.	2001 est.
Standard Reference Materials available	1,288	1,300	1,315
Standard Reference Database title available	60	63	66
Number of items calibrated	3,118	3,200	3,100
Number of technical publications	2,414	2,450	2,450
Total number of applications to the MBNQA and Baldrige-based State and local programs	892 (est.)	916	935

Object Classification (in millions of dollars)

Identification code 13-0500-0-1-376	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	122	126	137
11.3 Other than full-time permanent	11	11	12
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	137	141	153
12.1 Civilian personnel benefits	29	31	34
21.0 Travel and transportation of persons	6	6	7
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	3	3	3
23.3 Communications, utilities, and miscellaneous charges	11	12	13
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	4	4	4
25.2 Other services	23	21	29
25.3 Purchases of goods and services from Government accounts	9	12	14
25.5 Research and development contracts	1	2	9
25.7 Operation and maintenance of equipment	3	3	4
26.0 Supplies and materials	15	17	17
31.0 Equipment	23	23	24
32.0 Land and structures	1	1	1
41.0 Grants, subsidies, and contributions	12	12	18
99.9 Total new obligations	279	290	332

Personnel Summary

Identification code 13-0500-0-1-376	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	2,062	2,048	2,113

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Standards and Technology, **[\$104,836,000] \$114,137,000**, to remain available until expended.

In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, **[\$142,600,000] \$175,467,000**, to remain available until expended, of which not to exceed **[\$50,700,000] \$65,000,000** shall be available for the award of new grants[, and of which not to exceed \$500,000 may be transferred to the "Working Capital Fund"].

In addition, for necessary expenses of the Institute for Information Infrastructure Protection of the National Institute of Standards and Technology, **\$50,000,000**, to remain available until expended, of which not to exceed **\$1,600,000** may be transferred to the "Working Capital Fund". (15 U.S.C. 278k, 278l, 278n; Department of Commerce and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(1) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Program and Financing (in millions of dollars)

Identification code 13-0525-0-1-376	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Extramural programs:			
00.01 Advanced technology program	190	211	199
00.02 Manufacturing extension partnership	128	105	114
00.03 Institute for Information Infrastructure Protection			48
10.00 Total new obligations	318	316	361
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	33	69	24
22.00 New budget authority (gross)	325	247	338
22.10 Resources available from recoveries of prior year obligations	28	24	4
23.90 Total budgetary resources available for obligation	386	340	366
23.95 Total new obligations	-318	-316	-361
24.40 Unobligated balance available, end of year	69	24	4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	310	247	340
40.30 Unobligated balance rescinded	-6		
40.75 Reduction pursuant to P.L. 106-113		-1	

General and special funds—Continued

INDUSTRIAL TECHNOLOGY SERVICES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 13-0525-0-1-376	1999 actual	2000 est.	2001 est.
41.00 Transferred to other accounts			- 2
42.00 Transferred from other accounts	21		
43.00 Appropriation (total discretionary)	325	247	338
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	529	492	516
73.10 Total new obligations	318	316	361
73.20 Total outlays (gross)	- 327	- 268	- 285
73.45 Adjustments in unexpired accounts	- 28	- 24	- 4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	492	516	588
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	56	25	34
86.93 Outlays from discretionary balances	271	243	251
87.00 Total outlays (gross)	327	268	285
Net budget authority and outlays:			
89.00 Budget authority	325	247	338
90.00 Outlays	327	268	285

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	325	247	338
Outlays	327	268	285
Supplemental proposal:			
Budget Authority			
Outlays			1
Total:			
Budget Authority	325	247	338
Outlays	327	268	286

This appropriation supports the extension of technology to American industry and fosters the development of broad-based, high-risk technology by industry.

Extramural programs.

Advanced technology program (ATP).—The ATP is the focus of a national effort to help accelerate the commercialization of high-risk, broad benefit enabling technologies with significant commercial potential. ATP is a merit-based, rigorously competitive, cost-shared partnership program that provides assistance to U.S. businesses and joint R&D ventures to help them improve their competitive position. The program resources will be used for technology areas having significant potential for stimulating U.S. economic growth. This program is included in the 21st Century Research Fund.

Manufacturing extension partnership (MEP).—The MEP program emphasizes NIST's role in transferring developed technologies to small- and medium-sized manufacturers through Government-industry partnerships and extension services and by improving the competitiveness of existing American business.

Institute for Information Infrastructure Protection (IIIP).—This program will establish and operate an institute to support research and development of technologies to protect the Nation's critical information infrastructures by working directly with industry and universities through the provision of research grants.

Performance Measures.—The activities under this account support two Commerce strategic goals: Promote economic growth and stimulate innovation for competitiveness. The performance of these activities is evaluated through a combination of external review, economic impact studies, and evaluation of numerous quantitative outcomes and outputs.

1. Accelerate technological innovation and the development of new technologies that underpin future economic growth (ATP).

2. Improve the technological capability, productivity, and competitiveness of small manufacturers (MEP).

3. Increase the security, reliability, and survivability of the information technology systems and networks that comprise the Nation's Information Infrastructure (IIIP).

	1999 est.	2000 est.	2001 est.
Cumulative number of technologies under commercialization ..	120	170	200
Increased sales attributed to MEP (millions of dollars)	443	595	748

Object Classification (in millions of dollars)

Identification code 13-0525-0-1-376	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	22	25	28
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation			1
11.9 Total personnel compensation	24	27	31
12.1 Civilian personnel benefits	5	5	6
21.0 Travel and transportation of persons	1	1	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	3	3	3
25.1 Advisory and assistance services	4	4	4
25.2 Other services	11	10	15
25.3 Purchases of goods and services from Government accounts	6	6	10
26.0 Supplies and materials	2	2	2
31.0 Equipment	3	3	3
41.0 Grants, subsidies, and contributions	258	254	282
99.0 Subtotal, direct obligations	318	316	359
99.5 Below reporting threshold			2
99.9 Total new obligations	318	316	361

Personnel Summary

Identification code 13-0525-0-1-376	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears Full-time equivalent employment	360	393	425

CONSTRUCTION OF RESEARCH FACILITIES

For construction of new research facilities, including architectural and engineering design, and for renovation of existing facilities, not otherwise provided for the National Institute of Standards and Technology, as authorized by 15 U.S.C. 278c-278e, **[\$108,414,000]** \$35,879,000, to remain available until expended¹: *Provided*, That of the amounts provided under this heading, \$84,916,000 shall be available for obligation and expenditure only after submission of a plan for the expenditure of these funds, in accordance with section 605 of this Act¹. (*Department of Commerce and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(1) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Program and Financing (in millions of dollars)

Identification code 13-0515-0-1-376	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	20	226	36
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	82	120	
22.00 New budget authority (gross)	57	106	36
23.90 Total budgetary resources available for obligation	139	226	36
23.95 Total new obligations	- 20	- 226	- 36
24.40 Unobligated balance available, end of year	120		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	57	108	36
40.76 Reduction pursuant to P.L. 106-113		- 2	
43.00 Appropriation (total discretionary)	57	106	36

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	32	16	210
73.10	Total new obligations	20	226	36
73.20	Total outlays (gross)	-36	-32	-41
74.40	Unpaid obligations, end of year: Obligated balance, end of year	16	210	205
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2	13	4
86.93	Outlays from discretionary balances	34	19	37
87.00	Total outlays (gross)	36	32	41
Net budget authority and outlays:				
89.00	Budget authority	57	106	36
90.00	Outlays	36	32	41

This appropriation supports the renovation of NIST's current buildings and laboratories to comply with more stringent science and engineering requirements and is included in the 21st Century Research Fund.

The request includes \$15,000,000 for the fit-up and relocation costs associated with the Advanced Measurement Laboratory at NIST's main campus in Gaithersburg, Maryland. The 5-wing complex will provide stringent controls for particulate matter, temperature, vibration, and humidity that are unattainable in current NIST buildings, and equal to or better than similar labs overseas. Such conditions are vital for NIST to keep pace with rapid developments in semiconductors, precision instruments, industrial robots, computers, chemicals, pharmaceuticals, building materials, and emerging technologies requiring molecular and atomic-level precision. NIST will award a contract for construction in 2000 and projected completion is in late 2004.

To improve the safety and performance of existing NIST facilities, the remaining balance of funds in this account will be used to address the highest-priority maintenance and repair projects, as outlined in the NIST Facilities Improvement Plan.

Object Classification (in millions of dollars)

Identification code 13-0515-0-1-376	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	1	2	2
25.2 Other services	11	5	15
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
32.0 Land and structures	5	206	17
41.0 Grants, subsidies, and contributions		11	
99.0 Subtotal, direct obligations	19	226	36
99.5 Below reporting threshold	1		
99.9 Total new obligations	20	226	36

Personnel Summary

Identification code 13-0515-0-1-376	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	27	33	33

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 13-4650-0-4-376	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Extramural Programs:			
00.01 National Institute for Information Infrastructure Protection			2
Measurement and engineering research and standards:			
09.01 Electronics and electrical engineering	15	13	13

09.02 Manufacturing engineering	6	6	6
09.03 Chemical science and technology	15	15	16
09.04 Physics	13	13	15
09.05 Material science and engineering	7	6	7
09.06 Building and fire research	9	12	12
09.07 Computer science and applied mathematics	9	14	14
09.08 Technology Assistance	19	18	18
09.11 National quality program	2	2	2
09.12 Research support activities	27	8	11
09.14 Manufacturing extension partnership	3	1	
10.00 Total new obligations	125	108	116

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	32	41	41
22.00 New budget authority (gross)	133	108	116
23.90 Total budgetary resources available for obligation	165	149	157
23.95 Total new obligations	-125	-108	-116
24.40 Unobligated balance available, end of year	41	41	41

New budget authority (gross), detail:

Discretionary:			
42.00 Transferred from other accounts			8
43.00 Appropriation (total discretionary)			8
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	133	108	108
70.00 Total new budget authority (gross)	133	108	116

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	42	21	27
73.10 Total new obligations	125	108	116
73.20 Total outlays (gross)	-147	-102	-112
74.40 Unpaid obligations, end of year: Obligated balance, end of year	21	27	31

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	133	83	87
86.93 Outlays from discretionary balances	14	19	25
87.00 Total outlays (gross)	147	102	112

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-103	-84	-84
88.40 Non-Federal sources	-30	-24	-24
88.90 Total, offsetting collections (cash)	-133	-108	-108

Net budget authority and outlays:

89.00 Budget authority			8
90.00 Outlays	14	-6	4

The Working capital fund finances research and technical services performed for other Government agencies and the public. These activities are funded through advances and reimbursements. The fund also finances the acquisition of equipment and standard reference materials and storeroom inventories until issued or sold.

Object Classification (in millions of dollars)

Identification code 13-4650-0-4-376	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	42	43	44
11.3 Other than full-time permanent	4	4	4
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	47	48	49
12.1 Civilian personnel benefits	10	10	10
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1		
23.2 Rental payments to others	1	1	3
23.3 Communications, utilities, and miscellaneous charges	4	4	4
25.1 Advisory and assistance services	2	2	2
25.2 Other services	14	12	10
25.3 Purchases of goods and services from Government accounts	5	5	5
25.5 Research and development contracts	2	2	3
25.7 Operation and maintenance of equipment	1	1	1

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Object Classification (in millions of dollars)—Continued

Identification code 13-4650-0-4-376	1999 actual	2000 est.	2001 est.
26.0 Supplies and materials	4	6	6
31.0 Equipment	28	9	17
41.0 Grants, subsidies, and contributions	4	4	4
99.0 Subtotal, reimbursable obligations	125	106	116
99.5 Below reporting threshold		2	
99.9 Total new obligations	125	108	116

Personnel Summary

Identification code 13-4650-0-4-376	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment	732	722	714

NATIONAL TELECOMMUNICATIONS AND
INFORMATION ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), [\$10,975,000] \$20,315,000, to remain available until expended: *Provided*, That, notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained and used as offsetting collections for costs of such spectrum services, to remain available until expended: *Provided further*, That hereafter, notwithstanding any other provision of law, NTIA shall not authorize spectrum use or provide any spectrum functions pursuant to the National Telecommunications and Information Administration Organization Act, 47 U.S.C. 902-903, to any Federal entity without reimbursement as required by NTIA for such spectrum management costs, and Federal entities withholding payment of such cost shall not use spectrum: *Provided further*, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended. (15 U.S.C. 1512, 1532; 47 U.S.C. §§305, 606, 701 et seq., 721, and 744; Department of Commerce and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(1) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Program and Financing (in millions of dollars)

Identification code 13-0550-0-1-376	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Domestic and International Policy	4	4	4
00.02 Spectrum Management	4	4	8
00.03 Telecommunication Science Research	3	4	8
01.00 Total, direct program	11	12	20
Reimbursable Program:			
09.01 Spectrum Management	12	14	17
09.02 Telecommunications Science Research	6	7	7
09.99 Total reimbursable program	18	21	24
10.00 Total new obligations	29	33	44
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	3	
22.00 New budget authority (gross)	29	31	44

23.90 Total budgetary resources available for obligation	30	34	44
23.95 Total new obligations	-29	-33	-44
24.40 Unobligated balance available, end of year	3		

New budget authority (gross), detail:

Discretionary			
40.00 Appropriation	11	11	20
68.00 Spending authority from offsetting collections: Offset-			
ting collections (cash)	18	20	24
70.00 Total new budget authority (gross)	29	31	44

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance,			
start of year	5	3	3
73.10 Total new obligations	29	33	44
73.20 Total outlays (gross)	-31	-34	-43
74.40 Unpaid obligations, end of year: Obligated balance,			
end of year	3	3	5

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	27	29	40
86.93 Outlays from discretionary balances	4	5	3
87.00 Total outlays (gross)	31	34	43

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-18	-20	-24

Net budget authority and outlays:

89.00 Budget authority	11	11	20
90.00 Outlays	13	14	19

The National Telecommunications and Information Administration (NTIA) is the principal executive branch adviser to the President on domestic and international telecommunications policy. Additionally, it manages the Federal Government's use of the radio frequency spectrum and performs extensive research in telecommunications sciences.

Domestic and international policies.—NTIA develops and advocates policies to improve and expand domestic telecommunications services and markets so that the benefits of telecommunications are more widely available to consumers. NTIA provides advice to White House officials, coordinates with other Executive Branch agencies, and participates in relevant Congressional actions and interagency and Federal Communications Commission (FCC) proceedings on a host of issues. NTIA's focus is on current and emerging issues such as implementation of specific provisions of the 1996 Telecommunications Act. NTIA develops policies promoting universal service to all Americans, competition in telecommunications and information markets, and development of new technologies. NTIA makes policy recommendations in such areas as traditional common carrier networks, wireless services and products, the mass media (including advanced television), as well as issues arising from the Internet and electronic commerce, such as the Digital Divide.

NTIA advocates the advancement of U.S. priorities in the international telecommunications policy and regulatory areas. NTIA will continue to encourage forcefully the broad liberalization of telecommunication regulations now taking hold across the globe that create significant opportunities for U.S. telecommunications interests and enterprises including emphasis on the international development of electronic commerce as an essential element of today's information society. NTIA supports U.S. interests in international and regional fora affecting telecommunications standards, infrastructure development and market access. NTIA also represents executive branch concerns related to international telecommunications regulation before the FCC. In coordination with the Department of State and the FCC, the agency also discharges statutory responsibilities for oversight of the Communications Satellite Corporation in its role as U.S. Signatory to INTELSAT and INMARSAT.

Calendar No. 758

106TH CONGRESS
2D SESSION

S. 1407

[Report No. 106-382]

To authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 2000, 2001, and 2002, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 21, 1999

Mr. FRIST introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

AUGUST 25, 2000

Reported under authority of the order of the Senate of July 26, 2000, by Mr. McCain, with an amendment in the nature of a substitute

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 2000, 2001, and 2002, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 (1) The role and impact of international tech-
2 nical standards on global commerce and inter-
3 national trade.

4 (2) The role of national standards, including
5 their use as barriers, in international commerce and
6 trade policies.

7 (3) The timeliness of the domestic and inter-
8 national standards process and its impact on the de-
9 velopment of new markets and new technologies, in-
10 cluding the use of technical draft standards to ac-
11 commodate the fast pace of change in market envi-
12 ronment and technologies.

13 (4) Market, industry, and technology input into
14 the standards process.

15 (5) Open and fair access in representation to
16 the domestic and international standards process.

17 (6) Any recommendation for changes to the do-
18 mestic standards process.

19 **SECTION 1. SHORT TITLE.**

20 *This Act may be cited as the "Technology Administra-*
21 *tion Authorization Act for Fiscal Years 2001, 2002, and*
22 *2003".*

23 **SEC. 2. DEFINITIONS.**

24 *In this Act:*

(1) *DIRECTOR.* The term "Director" means the Director of the National Institute of Standards and Technology.

(2) *SECRETARY.* The term "Secretary" means the Secretary of Commerce.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES.

(a) *LABORATORY ACTIVITIES.* There are authorized to be appropriated to the Department of Commerce for use by the Secretary of Commerce for the Scientific and Technical Research and Services laboratory activities of the National Institute of Standards and Technology

(1) \$337,508,000 for fiscal year 2001;

(2) \$356,071,000 for fiscal year 2002; and

(3) \$375,655,000 for fiscal year 2003.

(b) *CONSTRUCTION AND MAINTENANCE.* There are authorized to be appropriated to the Department of Commerce for use by the Secretary of Commerce for construction and maintenance of facilities of the National Institute of Standards and Technology

(1) \$35,879,000 for fiscal year 2001

(2) \$36,955,000 for fiscal year 2002; and

(3) \$38,064,000 for fiscal year 2003.

1 (c) *TEACHER SCIENCE AND TECHNOLOGY ENHANCE-*
 2 *MENT INSTITUTE PROGRAM.* There are authorized to be
 3 appropriated to the Department of Commerce for use by
 4 the Secretary of Commerce for the Teacher Science and
 5 Technology Enhancement Institute program of the National
 6 Institute of Standards and Technology.

7 (1) \$750,000 for fiscal year 2001;

8 (2) \$773,000 for fiscal year 2002; and

9 (3) \$796,000 for fiscal year 2003.

10 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR THE OF-**
 11 **FICE OF THE UNDER SECRETARY FOR TECH-**
 12 **NOLOGY.**

13 (a) *OFFICE OF TECHNOLOGY POLICY.* There are au-
 14 thorized to be appropriated to the Department of Commerce
 15 for use by the Secretary of Commerce for the activities of
 16 the Under Secretary for Technology and the Office of Tech-
 17 nology Policy.

18 (1) \$8,716,000 for fiscal year 2001;

19 (2) \$8,977,000 for fiscal year 2002; and

20 (3) \$9,246,000 for fiscal year 2003.

21 (b) *OFFICE OF SPACE COMMERCIALIZATION.* Of the
 22 funds authorized in subsection (a), there are authorized to
 23 be appropriated to the Department of Commerce for use by
 24 the Secretary of Commerce for the activities of the Office
 25 of Space Commercialization.

1 (1) \$590,000 for fiscal year 2001;

2 (2) \$608,000 for fiscal year 2002; and

3 (3) \$626,000 for fiscal year 2003.

4 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR INDUS-**
 5 **TRIAL TECHNOLOGY SERVICES.**

6 *There are authorized to be appropriated to the Depart-*
 7 *ment of Commerce for use by the Secretary of Commerce*
 8 *for the industrial technology services activities of the Na-*
 9 *tional Institute of Standards and Technology*Ⓓ

10 (1) \$271,015,000 for fiscal year 2001, of whichⒹ

11 (A) \$146,878,000 shall be for the Advanced
 12 Technology Program under section 28 of the Na-
 13 tional Institute of Standards and Technology Act
 14 (15 U.S.C. 278n); and

15 (B) \$124,137,000 shall be for the manufac-
 16 turing extension partnerships program under
 17 sections 25 and 26 of the National Institute of
 18 Standards and Technology Act (15 U.S.C. 278k
 19 and 278l); and

20 (2) \$275,421,000 for fiscal year 2002, of whichⒹ

21 (A) \$151,284,000 shall be for the Advanced
 22 Technology Program under section 28 of the Na-
 23 tional Institute of Standards and Technology Act
 24 (15 U.S.C. 278n); and

(B) \$119,137,000 shall be for the manufacturing extension partnerships program under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l).

(3) \$264,960,000 for fiscal year 2003, of which

(A) \$155,823,000 shall be for the Advanced Technology Program under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n); and

(B) \$109,137,000 shall be for the manufacturing extension partnerships program under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l).

SEC. 6 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT AMENDMENTS.

(a) AMENDMENTS. Section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n) is amended

(1) in subsection (d)

(A) in paragraph (1)

(i) by inserting "(A)" after "(1)";

(ii) by inserting "and be of a nature and scope that would not be pursued in a

1 shall be retained and used for necessary expenses in this
2 appropriation: Provided further, That the sum herein ap-
3 propriated from the general fund shall be reduced as such
4 offsetting collections are received during fiscal year 2001,
5 so as to result in a final fiscal year 2001 appropriation
6 from the general fund estimated at \$0: Provided further,
7 That, during fiscal year 2001, should the total amount of
8 offsetting fee collections be less than \$783,843,000, the total
9 amounts available to the Patent and Trademark Office shall
10 be reduced accordingly: Provided further, That any amount
11 received in excess of \$783,843,000 in fiscal year 2001, and
12 less than \$1,072,000,000, shall not be available for obliga-
13 tion: Provided further, That any amount received in excess
14 of \$1,072,000,000 in fiscal year 2001 is available for obliga-
15 tion and shall remain available until expended: Provided
16 further, That not to exceed \$254,889,000 from fees collected
17 in fiscal year 2000 shall be made available for obligation
18 in fiscal year 2001.

19 SCIENCE AND TECHNOLOGY

20 TECHNOLOGY ADMINISTRATION

21 UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF

22 TECHNOLOGY POLICY

23 SALARIES AND EXPENSES

24 For necessary expenses for the Undersecretary for
25 Technology/Office of Technology Policy, \$8,216,000.

1 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

2 SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

3 *For necessary expenses of the National Institute of*
4 *Standards and Technology, \$305,003,000, to remain avail-*
5 *able until expended, of which not to exceed \$6,200,000 may*
6 *be transferred to the "Working Capital Fund".*

7 INDUSTRIAL TECHNOLOGY SERVICES

8 *For necessary expenses of the Manufacturing Exten-*
9 *sion Partnership of the National Institute of Standards and*
10 *Technology, \$109,137,000, to remain available until ex-*
11 *pended.*

12 *In addition, for necessary expenses of the Advanced*
13 *Technology Program of the National Institute of Standards*
14 *and Technology, \$153,600,000, to remain available until*
15 *expended, of which not to exceed \$65,000,000 shall be avail-*
16 *able for the award of new grants.*

17 CONSTRUCTION OF RESEARCH FACILITIES

18 *For construction of new research facilities, including*
19 *architectural and engineering design, and for renovation of*
20 *existing facilities, not otherwise provided for the National*
21 *Institute of Standards and Technology, as authorized by 15*
22 *U.S.C. 278c±278e, \$28,879,000, to remain available until*
23 *expended.*

1 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
2 OPERATIONS, RESEARCH, AND FACILITIES
3 (INCLUDING TRANSFERS OF FUNDS)

4 For necessary expenses of activities authorized by law
5 for the National Oceanic and Atmospheric Administration,
6 including maintenance, operation, and hire of aircraft;
7 grants, contracts, or other payments to nonprofit organiza-
8 tions for the purposes of conducting activities pursuant to
9 cooperative agreements; and relocation of facilities as au-
10 thorized by 33 U.S.C. 883i, \$1,958,046,000, to remain
11 available until expended: Provided, That fees and donations
12 received by the National Ocean Service for the management
13 of the national marine sanctuaries may be retained and
14 used for the salaries and expenses associated with those ac-
15 tivities, notwithstanding 31 U.S.C. 3302: Provided further,
16 That in addition, \$72,828,000 shall be derived by transfer
17 from the fund entitled "Promote and Develop Fishery Prod-
18 ucts and Research Pertaining to American Fisheries": Pro-
19 vided further, That grants to States pursuant to sections
20 306 and 306A of the Coastal Zone Management Act of 1972,
21 as amended, shall not exceed \$2,000,000: Provided further,
22 That any person or entity who has a lawsuit pending
23 against the agency or who files a lawsuit against the agency
24 or the Department of Commerce during this fiscal year,
25 shall be eligible to receive any payments or reimbursements

Calendar No. 703

106TH CONGRESS }
2d Session }

SENATE

{ REPORT
106-404DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE
JUDICIARY, AND RELATED AGENCIES APPROPRIATION
BILL, 2001

SEPTEMBER 8, 2000.—Ordered to be printed

Mr. GREGG, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 4690]

The Committee on Appropriations, to which was referred the bill (H.R. 4690) making appropriations for the Departments of Commerce, Justice, and State, the judiciary, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, reports the same to the Senate with amendments and recommends that the bill as amended do pass.

Amount in new budget (obligational) authority

Total bill as reported to Senate	\$36,689,965,000
Amount of appropriations, 2000	39,630,967,000
Amount of budget estimates, 2001, as amended ...	50,924,815,000
The bill as reported to the Senate:	
Below the appropriations for 2000	2,941,002,000
Below the estimates for 2001	14,234,850,000

The PTO recently completed a study entitled "Official Insignia of Native American Tribes." The study recommended that PTO create, maintain and update an accurate and comprehensive database containing official insignias of all State- and Federally-recognized Native American tribes. The Committee directs that the PTO comply with its own recommendations and create such a database.

SCIENCE AND TECHNOLOGY

The Committee has included under this section of Title II the Department of Commerce agencies involved in technology research and development, scientific assessment and prediction of environmental phenomena, and the administrative and policy functions providing oversight for these activities.

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

Appropriations, 2000	\$7,972,000
Budget estimate, 2001	8,716,000
House allowance	7,945,000
Committee recommendation	8,216,000

The Committee recommends an appropriation of \$8,216,000. The recommendation is \$500,000 below the budget request and will fully fund the current operations of the Technology Administration.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

Appropriations, 2000	\$638,982,000
Budget estimate, 2001	712,991,000
House allowance	422,892,000
Committee recommendation	596,619,000

The Committee recommends a total of \$596,619,000 for the three appropriations accounts under the National Institute of Standards and Technology [NIST]. The recommendation is \$116,372,000 below the budget request. A description of each account and the Committee recommendation follows:

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES [STRS]

Appropriations, 2000	\$283,132,000
Budget estimate, 2001	337,508,000
House allowance	292,056,000
Committee recommendation	305,003,000

The Committee recommends an appropriation of \$305,003,000. The recommendation is \$32,505,000 below the budget request.

The Committee recommendations are displayed in the following table:

Electronics and Electrical Engineering	\$40,127,000
Manufacturing Engineering	20,821,000
Chemical Science and Technology	33,360,000
Physics	31,556,000
Material Science and Engineering	54,658,000
Building and Fire Research	15,932,000
Computer Science and Applied Mathematics	47,551,000
Technology Assistance	17,349,000

National Quality Program	5,205,000
Research Support Activities	38,444,000
Total, STRS	305,003,000

Within the amounts provided, the Committee approves the following increases: (1) \$1,000,000 in the Manufacturing Engineering Program for the development of standards pertaining to the exchange of electronic data; (2) \$2,000,000 in the Physics program to provide measurements, standards, and test methods for the development of advanced nanotechnologies; (3) \$2,000,000 in the Computer Science and Applied Mathematics program to develop new measurements, test methods, and guidelines for the protection of the Nation's critical infrastructures. No funding is provided for Commerce Department expert review teams. Presidential Decision Directive #63 clearly suggests that every department and agency of the Federal Government shall be responsible for protecting its own critical infrastructure, especially its cyber-based systems. While the program is laudable, it is clearly not the responsibility of the Department of Commerce to provide computer security to other Federal agencies; and, (4) under the Wind Research Program, the Committee recommends \$2,000,000 to continue funding an existing cooperative agreement between NIST and Texas Tech University.

INDUSTRIAL TECHNOLOGY SERVICES

Appropriations, 2000	\$247,436,000
Budget estimate, 2001	339,604,000
House allowance	104,836,000
Committee recommendation	262,737,000

The Committee recommends an appropriation of \$262,737,000. The recommendation is \$76,867,000 below the budget request.

Manufacturing Extension Partnership Program [MEP].—The Committee recommends an appropriation of \$109,137,000. The recommendation is \$5,000,000 below the budget requests and fully funds all MEP centers. No funding is provided for the Department's election commerce outreach or manufacturing interoperability programs. The rapid expansion of the Internet to individuals and businesses in the United States has been extraordinary, and a myriad of private sector resources are available to businesses who wish to access e-commerce technologies. The marketplace is providing e-commerce solutions at such a pace that efforts by the Federal Government in this area would be slow and inadequate. The Committee supports the efforts of the Northern Great Plains Initiative for Rural Development to expand the MEP e-commerce project to rural areas to assist small manufacturers for marketing and business development purposes.

Advanced Technology Program [ATP].—The Committee recommends an appropriation of \$153,600,000. The recommendation is \$45,000,000 below the budget request. The Committee has been advised that approximately \$45,000,000 in prior-year deobligations and unobligated balances will carry forward from fiscal year 2000. The recommendation, when combined with the carryover amount, will provide a total funding level of \$198,600,000, the full amount requested. Within the amounts made available, \$45,200,000 shall be used for administrative costs, internal laboratory support, and

for Small Business Innovation Research Program [SBIR] requirements.

Institute for Information Infrastructure Protection [IIIP].—The Committee does not recommend funding for the Institute for Information Protection. The Committee is very concerned about protecting the Nation's critical infrastructures and commends the administration for its efforts to coordinate the numerous Federal agencies involved in this area. The importance of this area necessitates unprecedented coordination and cooperation, yet it appears that there is ongoing debate within the administration as to what is envisioned for the IIIP project in particular. With no clear plan to implement or administer the IIIP the potential for mission overlap with other Federal agencies is of particular concern.

The Committee notes that funding for critical infrastructure requirements are addressed by the Committee in the Department of Justice account.

CONSTRUCTION OF RESEARCH FACILITIES

Appropriations, 2000	\$108,414,000
Budget estimate, 2001	35,879,000
House allowance	26,000,000
Committee recommendation	28,879,000

The Committee recommends an appropriation of \$28,879,000. The recommendation is \$7,000,000 below the budget request and fully funds the highest priority safety, capacity, maintenance, and repair projects at NIST. Within the amounts provided, \$500,000 is to address electrical service issues at NIST's Boulder, CO, campus. In addition, \$4,000,000 is provided for a grant and a cooperative agreement.

No funding is provided for the outfitting and relocation costs associated with the Advanced Measurement Laboratory. Funds for these activities will be provided when the building nears completion.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2000	\$2,343,736,000
Budget estimate, 2001	2,761,181,000
House allowance	2,230,959,000
Committee recommendation	2,687,070,000

The Committee recommends discretionary appropriations of \$1,958,046,000 for operations, research, and facilities for fiscal year 2001. The "Operations, research, and facilities" account of the National Oceanic and Atmospheric Administration [NOAA], encompasses spending for the Agency's five line offices which administer coastal and ocean research programs, fisheries programs, weather forecasting, and atmospheric research. For the "Procurement, acquisition, and construction" account and other NOAA accounts, the Committee recommends an appropriation of \$669,542,000. The total Committee recommendation for NOAA in fiscal year 2001 is \$2,687,070,000. During this time of continued budgetary constraint,

1 to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, and shall
2 be retained and used for necessary expenses in this appro-
3 priation: *Provided further*, That the sum herein appro-
4 priated from the general fund shall be reduced as such
5 offsetting collections are received during fiscal year 2001,
6 so as to result in a final fiscal year 2001 appropriation
7 from the general fund estimated at \$0: *Provided further*,
8 That, during fiscal year 2001, should the total amount
9 of offsetting fee collections be less than \$650,035,000, the
10 total amounts available to the Patent and Trademark Of-
11 fice shall be reduced accordingly: *Provided further*, That
12 any amount received in excess of \$650,035,000 in fiscal
13 year 2001 shall not be available for obligation: *Provided*
14 *further*, That not to exceed \$254,889,000 from fees col-
15 lected in fiscal years 1999 and 2000 shall be made avail-
16 able for obligation in fiscal year 2001.

17 SCIENCE AND TECHNOLOGY

18 TECHNOLOGY ADMINISTRATION

19 UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF

20 TECHNOLOGY POLICY

21 SALARIES AND EXPENSES

22 For necessary expenses for the Under Secretary for
23 Technology/Office of Technology Policy, \$7,945,000.

Core
ATP

1 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

2 SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

3 For necessary expenses of the National Institute of
4 Standards and Technology, \$292,056,000, to remain
5 available until expended, of which not to exceed \$282,000
6 may be transferred to the "Working Capital Fund".

7 INDUSTRIAL TECHNOLOGY SERVICES

8 For necessary expenses of the Manufacturing Exten-
9 sion Partnership of the National Institute of Standards
10 and Technology, \$104,836,000, to remain available until
11 expended.

12 CONSTRUCTION OF RESEARCH FACILITIES

13 For construction of new research facilities, including
14 architectural and engineering design, and for renovation
15 of existing facilities, not otherwise provided for the Na-
16 tional Institute of Standards and Technology, as author-
17 ized by 15 U.S.C. 278c±278e, \$26,000,000, to remain
18 available until expended.

19 NATIONAL OCEANIC AND ATMOSPHERIC

20 ADMINISTRATION

21 OPERATIONS, RESEARCH, AND FACILITIES

22 (INCLUDING TRANSFERS OF FUNDS)

23 For necessary expenses of activities authorized by law
24 for the National Oceanic and Atmospheric Administration,
25 including maintenance, operation, and hire of aircraft;
26 grants, contracts, or other payments to nonprofit organi-

HOUSE APPROP

106TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } 106-680

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE
JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS
BILL, FISCAL YEAR 2001

JUNE 19, 2000.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. ROGERS, from the Committee on Appropriations,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 4690]

The Committee on Appropriations submits the following report in
explanation of the accompanying bill making appropriations for the
Departments of Commerce, Justice, and State, the Judiciary, and
related agencies for the fiscal year ending September 30, 2001.

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~~SENATE~~ APPROP
HOUSE

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

The bill provides a total funding level of \$904,924,000 for the Patent and Trademark Office (PTO) in fiscal year 2001, which is \$33,924,000 above the current year level, and \$133,808,000 below the request. The request included \$20,000,000 to be derived from a new fee to cover the cost of post-retirement health and life insurance of PTO employees, which has not been approved in the pending PTO reauthorization legislation and is not included in this bill.

Of the amount recommended in the bill, \$650,035,000 is to be derived from offsetting fees collected in fiscal year 2001 and \$254,889,000 from carryover funds from fiscal years 1999 and 2000, for use in fiscal year 2001.

Language is included in the bill limiting the amount of carryover that may be obligated in fiscal year 2001. The total funding level recommended in the bill will permit PTO to fully fund its base of \$904,924,000 to meet increased workload and to continue automation efforts.

Within the amounts available to the PTO in fiscal year 2001, the Committee expects that not less than \$2,800,000 will be provided to expand PTO's relationship with the National Inventor's Hall of Fame and Inventure Place. In addition bill language was included changing the term Commissioner to Director, as requested.

The Patent and Trademark Office is charged with administering the patent and trademark laws of the United States. PTO examines patent applications, grants patent protection for qualified inventions, and disseminates technological information disclosed in patents. PTO also examines trademark applications and provides Federal registration to owners of qualified trademarks.

SCIENCE AND TECHNOLOGY

The Committee has included under this section of Title II the Department of Commerce agencies responsible for scientific and technological research and programs.

TECHNOLOGY ADMINISTRATION

OFFICE OF THE UNDER SECRETARY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

The Committee recommends \$7,945,000 for the Technology Administration's Office of the Under Secretary/Office of Technology Policy. This amount is the same amount available in the current year and \$771,000 below the request.

The Committee continues the direction from fiscal years 1998, 1999, and 2000 regarding the use of Technology Administration and Department of Commerce resources to support foreign policy initiatives and programs.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

The Committee recommends a total of \$422,892,000 for the appropriations accounts under the National Institute of Standards and Technology (NIST) for fiscal year 2001. The recommendation

is \$290,099,000 below the budget request, and a decrease of \$216,090,000 below the amount appropriated for fiscal year 2000. A description of each account and the Committee recommendation follows:

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

The Committee has provided \$292,056,000 for the Scientific and Technical Research and Services (core programs) appropriation of the National Institute of Standards and Technology. This amount is \$8,924,000 above the amount provided in fiscal year 2000 and \$45,452,000 below the budget request.

The Committee notes that, in an era of declining budgets, the core programs of NIST have enjoyed significant support, receiving continued program increases. Overall funding for these programs has grown from \$240,000,000 in fiscal year 1995 to \$283,000,000 in fiscal year 2000. The Committee understands the importance of the research done by this agency, and recommends funding to maintain the current level of operations.

The following is a breakdown of the amounts provided under this account by activity.

[In thousands of dollars]

	FY00 Enacted	FY01 Request	FY01 Recommendation
Electronics and Electrical	\$38,771	\$40,046	\$40,127
Manufacturing Engineering	19,560	23,782	19,821
Chemical	32,493	33,295	33,360
Physics	28,697	39,454	29,556
Building and Fire Research	15,331	13,888	16,484
Materials Science and Engineering	52,010	58,986	54,658
Computer Applied Mathematics	45,352	56,347	45,551
Technology Assistance	17,723	17,197	17,349
Baldrige Quality Awards	4,958	5,191	5,913
Research Support	29,237	49,322	29,237
(Deobligations)	(1,000)		
Total, STRS	283,132	337,508	292,056

The recommendation provides funding for all activities at the requested fiscal year 2001 base level. This includes the current year level of funding to continue the disaster research program on effects of windstorms. The recommendation does not include any program increases. Further, the Committee continues its directive included in previous years regarding the placement of additional NIST personnel or support for foreign service nationals overseas.

INDUSTRIAL TECHNOLOGY SERVICES

The Committee recommends \$104,836,000 for the Industrial Technology Services appropriation of the National Institute of Standards and Technology. This amount is \$142,600,000 below the current year appropriation, and \$234,768,000 below the budget request.

Manufacturing Extension Partnership Program.—The Committee has included \$104,836,000 for the Manufacturing Extension Partnership (MEP) Program, the same amount provided in the current

year. This recommendation includes the expectation that funding is provided for the centers and not for new initiatives.

Advanced Technology Program.—The Committee recommends no funding for the Advanced Technology Program (ATP) in fiscal year 2001. The budget included a request of \$198,600,000 for fiscal year 2001, and \$142,600,000 was provided in fiscal year 2000.

The advocates for the ATP program have always had to answer a number of fundamental questions, such as whether the program achieved results that could not be achieved through the private marketplace; whether it funded technology development and commercialization that would not be undertaken but for the existence of the program; and whether the Federal government should play a role in picking technologies to be developed and then funding that development at substantial government expense, for example.

After many years in existence, the program has not produced a body of evidence to overcome those fundamental questions about whether the program should exist in the first place. Given the tremendous financial constraints under which the Committee is operating, the question becomes whether it is worthwhile to continue to fund a program of questionable value, particularly one that costs \$200,000,000 a year.

With many other priorities facing the Committee and funding constraints as they are, the Committee concludes that funding would be better spent on higher priority programs and recommends that the ATP program be terminated.

CONSTRUCTION OF RESEARCH FACILITIES

The Committee recommendation includes \$26,000,000 for construction, renovation, and maintenance of NIST facilities. In the current year, the Committee approved the final construction plan for the Advanced Measurement Laboratory and has provided the full request for the construction of the laboratory. In addition, the Committee has provided a level of funding comparable to the current year level for NIST to address the backlog of safety, capacity, maintenance, and major repair projects in the Gaithersburg, Maryland, and Boulder, Colorado, sites. The recommendation does not provide program increases under the Safety, Capacity, Maintenance, and Major Repair heading.

Should construction requirements change, the Committee would entertain a reprogramming request subject to the requirements of Section 205 of this Act.

Bill language requiring submission of a financial plan is deleted.

This account supports all NIST activities by providing the facilities necessary to carry out the NIST mission. The Institute has proposed a multiyear effort to renovate NIST's current buildings and laboratory facilities in compliance with more stringent science and engineering program requirements.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The Committee recommends a total of \$2,230,959,000 in new budget authority for the seven appropriation items of the National Oceanic and Atmospheric Administration (NOAA) and transfers totaling \$98,000,000. This amount is a decrease of \$6,947,717,000 below the budget request for these items, which included advance

Kelly-F4I

THE WHITE HOUSE

WASHINGTON

October 18, 2000

MEMORANDUM FOR THE HONORABLE ARTHUR L. MONEY
ASSISTANT SECRETARY OF DEFENSE FOR
COMMAND, CONTROL, COMMUNICATIONS &
INTELLIGENCE

LIEUTENANT GENERAL HARRY D. RADUEGE, JR.
MANAGER, NATIONAL COMMUNICATIONS SYSTEM

SUBJECT: Continuation of the Alert and Coordination Network

Thank you for your quick response to my letter of August 17, 2000, on the Alert and Coordination Network. I think your recommendation is exactly on target – the NCS is the logical place for this capability to reside and it would fit best as a component of the National Telecommunications Coordination Network. The NCS, through the NCC, alone has both the technical ability and contacts with the telecommunications industry to make this work. I appreciate your willingness to take on this additional operational and financial responsibility.



Neal Lane
Assistant to the President
for Science and Technology



NATIONAL COMMUNICATIONS SYSTEM

OFFICE OF THE MANAGER
701 SOUTH COURTHOUSE ROAD
ARLINGTON, VIRGINIA 22204-2198

IN REPLY
REFER TO: Operations Division (N3)

OCT 9 2000

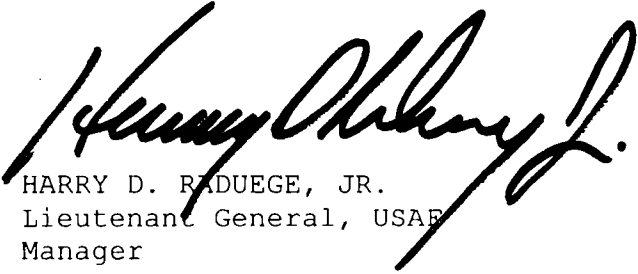
MEMORANDUM FOR ASSISTANT TO THE PRESIDENT FOR SCIENCE AND TECHNOLOGY

THROUGH: Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)

SUBJECT: Continuation of the Alert and Coordination Network (ACN)

1. In response to your August 17, 2000, memorandum regarding the impact of the loss of the National Telecommunications Alliance (NTA) ACN, I share your concerns and requested the Manager of the National Coordinating Center for Telecommunications (NCC) research the matter and propose a course of action. After checking with NTA and NCC member companies, we have verified that none of the current membership wishes to be responsible for the day-to-day maintenance, but all are in favor of continuing to participate in the ACN. Additionally, all current participants support the NCC administering the day-to-day operation of the ACN.

2. Although several options for ensuring the continuation of the ACN functionality were considered, recommend that we incorporate the ACN into the National Communications System's National Telecommunications Coordination Network (NTCN) and conduct the day-to-day management oversight at the NCC. This option is operationally preferable since it would continue the existing capability, and incorporate the management of the ACN and NTCN into a single entity. The NCC would administer both operations with in-house staffing and limited contracted support. The OMNCS is in the process of identifying the necessary funding and contract vehicles to operate the system. With your concurrence, we would assume the maintenance of the ACN starting January 1, 2001.


HARRY D. RADUEGE, JR.
Lieutenant General, USAF
Manager

Kelly

THE WHITE HOUSE

WASHINGTON

August 17, 2000

MEMORANDUM FOR THE HONORABLE ARTHUR L. MONEY
ASSISTANT SECRETARY OF DEFENSE FOR COMMAND,
CONTROL, COMMUNICATIONS AND INTELLIGENCE

LIEUTENANT GENERAL HARRY D. RADUEGE, JR.
MANAGER, NATIONAL COMMUNICATIONS SYSTEM

SUBJECT: Continuation of the Alert and Coordination Network

As members of the Joint Telecommunications Review Board (JTRB) from the Department of Defense, you are aware that the National Telecommunications Alliance (NTA) will cease operations on December 31, 2000. NTA provides a single point of contact on national security and emergency preparedness (NS/EP) issues for the Regional Bell Operating Companies, and NTA's Alert and Coordination Network (ACN) is an essential part of the National Communications System's National Telecommunications Coordination Network (NTCN).

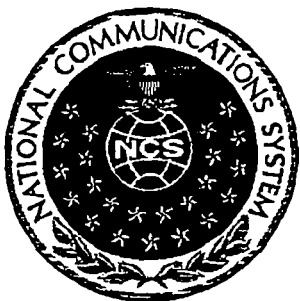
The NTCN helps the Office of Science and Technology Policy manage the JTRB and support the National Emergency Management Team. It provides direct connections among key government sites independent of the Public Switching Network (PSN). The ACN is an essential component of the NTCN, extending its reach to key telecommunications industry operations centers. The ACN's role of coordinating network restorations among industry participants and with Federal agencies is very important to our NS/EP posture.

I understand that no participating company is willing to take over the management and administration of the ACN, but all are willing to participate if some other entity takes on these roles and financial responsibilities. Furthermore, I understand that the costs associated with operating the ACN are very small.

As our telecommunications infrastructure and potential threats continue to evolve, we cannot lose capabilities that help us coordinate a recovery and reconstitution effort, as directed in Executive Order 12472. I look forward to hearing your thoughts on this matter soon.

Neal

Neal Lane
Assistant to the President
for Science and Technology

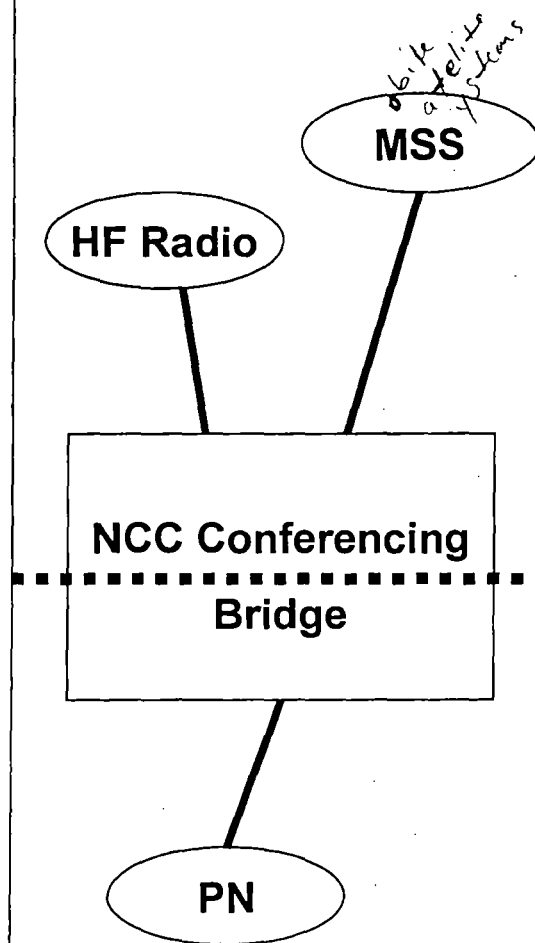


NTCN Configuration



Private Lines to Bridge

- OSTP
- PEOC
- White House Situation Room
- NIPC/FBI
- GSA/FTS
- FCC Operations Center
- DISA/GNOSC
- DOC
- NTIA
- NRC
- DOE
- FEMA



Connectivity Via NTA's ACN

- | | |
|-------------------|-------------|
| • AT&T | • Alcatel |
| • Ameritech | • Cisco |
| • Bell Atlantic | • Ericsson |
| • BellSouth | • HP |
| • Cincinnati Bell | • Illuminet |
| • GTE | • Lucent |
| • NTA | • Newbridge |
| • WorldCom | • Nortel |
| • Pacific Bell | • Siemens |
| • Sprint | • Telcordia |
| • SBC | • Tellabs |
| • SNET | |
| • US WEST | |
| • Stentor | |

- DISA GNOSC
- FCC
- NCS/NCC
- NCC Relocation Site