

**The  
Department of Commerce  
Budget in Brief**

**Fiscal Year 2018**

**Wilbur L. Ross, Secretary**

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Note: A full-year 2017 appropriation was not enacted at the time the FY 2018 Budget was prepared; therefore, the Budget is built off of the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

Unless otherwise noted, all dollar amounts are in thousands

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## Departmental Overview

### *Promoting Job Creation and Economic Growth*

The mission of the U.S. Department of Commerce is to promote job creation and economic growth by helping American businesses thrive here at home and succeed in the global marketplace. The Department accomplishes its mission by *ensuring fair and secure trade, providing the data necessary to support commerce, and fostering innovation by setting standards and conducting foundational research and development.*

### **FY 2018 BUDGET IN CONTEXT**

The U.S. Department of Commerce's FY 2018 Budget requests \$7.8 billion in discretionary funding, a \$1.5 billion or 16 percent decrease from the FY 2017 Annualized Continuing Resolution level<sup>1</sup>. The FY 2018 Budget Request prioritizes and protects investments in core Government functions such as preparing for the 2020 Decennial Census; providing the observational infrastructure and staff necessary to produce timely and accurate weather forecasts; supporting the Government's role in managing marine resources and ocean and coastal navigation; and enforcing laws that promote fair and secure trade. The Budget also reduces or eliminates grant programs in support of the Administration's efforts to devote resources towards rebuilding the military and making critical investments in the Nation's security.

### **Ensuring Fair and Secure Trade**

To promote economic growth and create high-paying jobs in the U.S., the Budget provides \$443 million for the International Trade Administration (ITA). This funding strengthens the ITA's trade enforcement and compliance functions to ensure American businesses get fair opportunities in the global marketplace while rescaling the bureau's export promotion and trade analysis activities.

Additionally, the Budget supports \$114 million for the Bureau of Industry and Security (BIS). This funding will augment the bureau's efforts to curtail illegal exports while facilitating secure trade with U.S. allies and close partners.

### **Providing the Data Necessary to Support Commerce**

Data powers the 21<sup>st</sup> century economy, and Commerce Department data – from the latest demographic trends and economic indicators to weather forecasts and coastal navigational information – touch every American and inform business decisions every day.

The Budget includes \$1.5 billion for the U.S. Census Bureau, as FY 2018 represents a pivotal milestone in the Census Bureau's path for conducting a complete and accurate 2020 Decennial Census effectively and efficiently. The 2018 End-to-End Census Test will validate the integration of innovative and secure operations, procedures, systems, and infrastructure and is the last opportunity to fully test before the 2020 Census. The FY 2018 Budget also supports data collection and processing operations for the 2017 Economic Census and Census of Governments, which provide the foundation for economic data that drive investment and job creation. It also continues support for the monthly, quarterly, and annual economic and social data on which businesses and policymakers depend for decision-making.

The Budget also includes \$97 million for the Bureau of Economic Analysis (BEA) to provide timely, accurate, and relevant economic statistics in an objective and cost-effective manner. Included is a proposal that consolidates the mission, policy support, and administrative functions of the Economics and Statistics Administration within the BEA, the Census Bureau, and the Department's Office of the Secretary.

The National Oceanic and Atmospheric Administration's (NOAA) FY 2018 Budget of \$4.8 billion prioritizes core government functions that promote national security and public safety and foster economic opportunity.

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NOAA's request maintains the development of the current generation of polar orbiting and geostationary weather satellites, allowing JPSS and GOES-R Series satellite programs to remain on schedule in order to provide forecasters with critical weather data to help protect life and property. This budget achieves FY 2018 savings in NOAA's Polar Follow On (PFO) satellite program from the current program of record by initiating a re-plan of the PFO program. NOAA will work to improve its constellation strategy for polar weather satellite continuity while seeking cost efficiencies, managing system technical risks, and leveraging partnerships.

In addition, this NOAA Budget supports: maintaining National Weather Service forecasting capabilities while promoting efficient and effective operations; continuing to rebuild fisheries and promote aquaculture development; recapitalizing the NOAA fleet to ensure continuity of at-sea data collection; and fostering safe and efficient marine and coastal navigation.

### **Fostering Innovation by Setting Standards and Conducting Foundational Research and Development**

Being on the leading edge of technology is critical for sustaining economic opportunities and growth in domestic and world markets. The Budget makes critical investments to help Americans stay at the forefront of the latest technological developments.

With a request of \$725 million, the FY 2018 Budget supports the National Institute of Standards and Technology's (NIST) mission to promote U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life. Through the NIST Laboratories, the bureau will maintain its core capabilities in measurement science, continuing to provide the measurements and standards that accelerate innovation. The bureau will continue to play a unique role through its R&D capabilities that provide cutting edge measurement science solutions for the industries of the future; and measurement services on which government, industry and academia rely.

In addition, NIST will continue to play a lead role in strengthening cybersecurity for both the U.S. government and the private sector through its portfolio of fundamental and applied cybersecurity research and standards activities. NIST has expanded its core technical capabilities in areas such as cryptography and will also continue to advance capabilities relevant to reliable computing, the Internet of Things, and artificial intelligence.

Finally, this request continues to fund Manufacturing USA, in order to create an effective manufacturing research infrastructure; and NIST construction activities, including maintenance, repair, improvements, and major renovation of facilities occupied or used by NIST.

Furthermore, the National Telecommunications and Information Administration's (NTIA) \$36 million Budget supports the commercial sector's development of next generation wireless services through NTIA's mission of evaluating and ensuring efficient use of spectrum by government users. The bureau also continues to represent U.S. interests at multi-stakeholder forums on internet governance and digital commerce.

The \$3.5 billion request of resource requirements (offset by fee collections) for the U.S. Patent and Trademark Office (USPTO) will help American entrepreneurs and businesses bring their inventions to the marketplace. USPTO continues to reduce the backlog of unexamined patents while ensuring pending applications are reviewed expeditiously. In addition, this Budget reflects the continued development and successful deployment of new IT capabilities to continue retiring legacy systems.

### **Streamlining Government Operations and Improving Efficiency**

The Budget also reduces or eliminates grant programs in support of the Administration's efforts to prioritize government spending on critical military and security investments. While these were difficult decisions to reach, the Department of Commerce proposes the following actions in FY 2018 to make \$741 million available compared to the FY 2017 Annualized CR level:

- Eliminate the Economic Development Administration (EDA),
- Eliminate the Minority Business Development Agency (MBDA),
- Eliminate NOAA grant programs including Sea Grant, Coastal Zone Management, and Pacific Coastal Salmon Recovery, and
- Discontinue federal funding of NIST's Manufacturing Extension Partnership (MEP) program.

## Departmental Management

The mission of Departmental Management (DM) is to develop and implement policy affecting U.S. and international activities as well as the internal goals and operations of the Department. DM serves as the primary liaison with the executive branch, legislative affairs, and private sector groups. DM also acts as the management and administrative control point for the Department.

DM accomplishes its mission through the following activities:

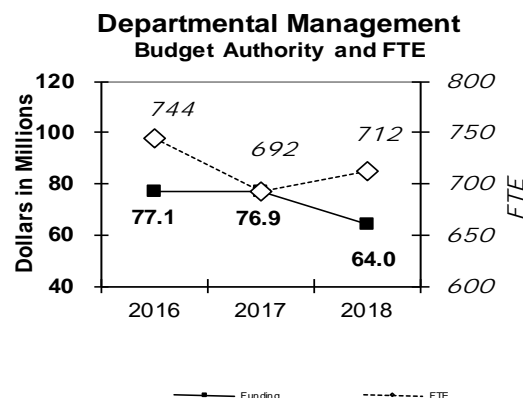
- The Salaries and Expenses (S&E) account provides funding for the Office of the Secretary, the Office of the Deputy Secretary, and support staff.
- The Renovation and Modernization account (HCHB) addresses major building infrastructure deficiencies and security weaknesses.
- The Working Capital Fund (WCF) finances, on a reimbursable basis, Department-wide administrative functions that are more efficiently performed on a centralized basis, such as legal, enterprise services, security, human resources, financial, building management, information technology, and procurement services.

DM's mission priorities are to provide overall leadership, policy direction, and coordination of bureau programs in furtherance of the Department's mission. In addition, DM provides administrative oversight and operational support in the development, acquisition, deployment, operation and security of information technology, including Cybersecurity; ensures the effective management and security of the facilities and property; recruitment, training, retention, management of a diverse and highly effective workforce; and ensures effective management of fiscal resources as well as business processes to support the Department's mission.

In FY 2018, DM continues to fulfill its mission by leveraging its highly effective workforce to find alternative solutions to work smarter while maintaining a high-level of customer service. The Budget funds an Investigations and Threat Management Division that detects critical threats to the Department's U.S. economic advancement mission, as well as fulfills national strategic requirements involving counterintelligence, transnational organized crime, and counterterrorism. The Departmental Management's S&E also includes reductions for vacancies left unfilled and filling positions at lower grades, as well as, the reduction of travel expenses, non-critical contracts, and supplies and equipment related to programmatic activities that provided businesses and communities with information about and referrals to relevant Federal, State, and local government programs.

In FY 2018, DM plans to continue to work on ensuring the bureaus have access to high quality mission support services while reducing non-essential spending. The Departmental Management's WCF reflects proposed reductions to include vacancies left unfilled, filling positions at lower grades, reduction of travel expenses, reduction of supplies and equipment, and reducing non-critical contracts. DM continues to find alternative solutions to work smarter with less while increasing efficiencies.

Base funding is requested for HCHB to continue to support five FTEs and the associated costs to benefits, rent, utilities, supplies, and training. The renovation and modernization will upgrade infrastructure, modernize tenant spaces, remove safety hazards, and improve energy efficiency as Commerce optimizes utilization of HCHB space. The General Services Administration and Commerce are each responsible for certain aspects of the project's costs.



## Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$58,000	\$57,890	\$63,000	\$5,110
Renovation and Modernization	19,062	19,026	1,000	(18,026)
<b>Total, Appropriation</b>	<b>77,062</b>	<b>76,916</b>	<b>64,000</b>	<b>(12,916)</b>
<b><u>Budget Authority</u></b>				
Salaries and Expenses	58,000	57,890	63,000	5,110
Renovation and Modernization	19,062	19,026	1,000	(18,026)
<b>Total, Budget Authority</b>	<b>77,062</b>	<b>76,916</b>	<b>64,000</b>	<b>(12,916)</b>
<b><u>Mandatory Appropriation</u></b>				
Gifts & Bequests Trust Fund	5,316	3,500	3,500	0
<b>Total, Mandatory Appropriation</b>	<b>5,316</b>	<b>3,500</b>	<b>3,500</b>	<b>0</b>
<b><u>FTE</u></b>				
Salaries and Expenses	158	158	178	20
Renovation and Modernization	5	5	5	0
Working Capital Fund	581	529	529	0
<b>Total</b>	<b>744</b>	<b>692</b>	<b>712</b>	<b>20</b>
<b><u>Permanent Positions</u></b>				
Salaries and Expenses	199	200	220	20
Renovation and Modernization	5	5	5	0
Working Capital Fund	768	716	716	0
<b>Total</b>	<b>972</b>	<b>921</b>	<b>941</b>	<b>20</b>

## Highlights of Budget Changes

### Appropriation: Salaries and Expenses

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>158</b>	<b>\$57,890</b>
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Restoration of FY 2017 Rescission				\$110
<b>Other Changes</b>				
2017 Pay raise		\$354		
2018 Pay raise		381		
Civil Service Retirement System (CSRS)		(23)		
Federal Employees' Retirement System (FERS)		44		
Thrift Savings Plan (TSP)		14		
Federal Insurance Contributions Act (FICA) - OASDI		7		
Health insurance		82		
Employee Compensation		(30)		
Travel - Per Diem		3		
Rent payments to GSA		69		
Printing and reproduction		3		
Working Capital Fund (WCF)		96		
General Pricing Level Adjustment:				
Communications and miscellaneous		5		
Other services		238		
Supplies and materials		6		
Equipment		3		
Subtotal, other changes			0	1,252
Total, Adjustments to Base			0	1,362
<b>2018 Base</b>			<b>158</b>	<b>59,252</b>
Program Changes			20	3,748
<b>2018 Appropriation</b>			<b>178</b>	<b>63,000</b>

#### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
Operations and Administration	158	\$57,890	158	\$59,252	178	\$63,000	20	\$3,748
<b>TOTAL BUDGET AUTHORITY</b>	158	57,890	158	59,252	178	63,000	20	3,748

## Highlights of Program Changes

<u>Operations and Administration</u>	<u>FTE</u>	<u>Base</u>		<u>Increase / Decrease</u>	
		<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	
<b>Investigations and Threat Management Division</b>	0	\$0	20	+\$5,000	

The increase is requested to provide for staffing and associated costs to expand investigations and threat management activities. Additional personnel and infrastructure is expected to directly reduce risk posed by new and backlogged investigative matters; enhance the ability to address mission-critical threats across the Department of Commerce; and devote resources to requirements levied by Executive Orders for Insider Threat and Transnational Organized Crime, and national strategies for counterintelligence.

<b>Operations and Administration</b>	0	\$0	0	-\$1,252
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Reduction of salaries and benefits, travel expenses, rent, printing, consulting services, training, non-critical non-government and other agency contracts, and supplies and equipment related to programmatic activities that provided businesses and communities with information about and referrals to relevant Federal, State, and local government programs.

## Appropriation: Renovation and Modernization

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>5</b>	<b>\$19,026</b>
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Non-recurring adjustment				-18,049
<b>Other Changes</b>				
FY 2017 Pay raise		\$7		
FY 2018 Pay raise		11		
Health insurance		1		
General Pricing Level Adjustments:				
Other services		4		
Subtotal, other changes			0	23
Total, Adjustments to Base			0	-18,026
<b>2018 Base</b>			<b>5</b>	<b>1,000</b>
Program Change			0	0
<b>2018 Appropriation</b>			<b>5</b>	<b>1,000</b>

### Comparison by Activity

<b>BUDGET AUTHORITY</b>	FY 2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Renovation & Modernization	5	\$19,062	5	\$1,000	5	\$1,000	0	\$0
<b>TOTAL BUDGET AUTHORITY</b>	<b>5</b>	<b>19,062</b>	<b>5</b>	<b>1,000</b>	<b>5</b>	<b>1,000</b>	<b>0</b>	<b>0</b>



## Highlights of Program Changes

<u>Renovation and Modernization Project</u>	<u>FTE</u>	<u>Base</u> <u>Amount</u>	<u>Increase / Decrease</u>	
			<u>FTE</u>	<u>Amount</u>
	5	\$1,000	0	+\$0

This account funds the Commerce Department's portion of expenses associated with renovating and modernizing the Herbert C. Hoover Building (HCHB). The renovation and modernization will upgrade infrastructure, modernize tenant spaces, remove safety hazards, and improve energy efficiency as Commerce optimizes utilization of HCHB space. The General Services Administration and Commerce are each responsible for certain aspects of the project's costs. Base funding is requested to continue to support five FTEs and the associated costs to benefits, rent, utilities, supplies, and training. These positions perform functions such as providing assistance to management on program and operations efficiency and productivity, serving as project managers for Information Technology and space planning, assisting with communication, and acting as the Contracting Officer's Representative for the HCHB support contracts.

## Operating Fund: Working Capital Fund

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 Operating Level</b>			<b>529</b>	<b>\$224,170</b>
<u>Adjustments to Base</u>				
MBDA Bureau Specific Interagency Agreement for IT Services and Support				(2,303)
<b>Other Changes</b>				
2017 Pay raise		\$830		
2018 Pay raise		1,333		
Full year cost in FY 2018 of positions financed for part year in FY 2017		0		
Civil Service Retirement System (CSRS)		(72)		
Federal Employees' Retirement System (FERS)		140		
Thrift Savings Plan (TSP)		45		
Federal Insurance Contributions Act (FICA) - OASDI		22		
Health insurance		215		
Travel - Per diem		6		
Rent payments to GSA		124		
Printing and reproduction		7		
General Pricing Level Adjustment:				
Transportation of things		3		
Communications and miscellaneous		63		
Other services		1,876		
Supplies and materials		26		
Equipment		65		
Subtotal, other changes			0	4,683
Total, Adjustments to Base			0	2,380
<b>2018 Base</b>			<b>529</b>	<b>226,550</b>
Program Changes			0	-4,683
<b>2018 Operating Level</b>			<b>529</b>	<b>221,867</b>

### Comparison by Activity

	2017 Operating Level		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>OPERATING LEVEL</b>								
Operations and Administration	529	\$232,887	529	\$226,550	529	\$221,867	0	(\$4,683)
<b>TOTAL OPERATING LEVEL</b>	529	232,887	529	226,550	529	221,867	0	(4,683)
<b>FINANCING</b>								
Unobligated balance, start of year		(8,717)						
Offsetting collections from:								
Federal funds	(529)	(224,170)			(529)	(221,867)		
Subtotal, financing	(529)	(232,887)			(529)	(221,867)		
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	0	0			0	0		

### Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b>Operations and Administration</b>	529	\$226,550	0	-\$4,683

Departmental Management has conducted a review of the organization’s activities along with prioritization of functions for proposed areas of reduction within the WCF. The reductions include vacancies left unfilled (but not removed – may be filled at a later date depending on greatest need), filling positions at lower grades, reduction of travel expenses, reduction of supplies and equipment, and reducing non-critical contracts such as administrative support and technical support.

### Direct Costs by Office

Offices	2018 Estimate	
	FTE	Amount
Human Resources Management	51	\$13,914
Civil Rights	9	2,728
Financial Management	48	32,837
Security	91	28,808
Facilities and Environmental Quality	54	19,006
Acquisition Management	5	4,000
Privacy and Open Government	3	910
General Counsel	176	47,174
Chief Information Officer	33	33,376
Enterprise Services	43	35,534
Executive Direction	16	3,580
<b>Total Working Capital Fund</b>	529	221,867

**Distribution by Bureau**

	FY 2018
<b>Bureaus</b>	<u>Amount</u>
Departmental Management	\$12,753
International Trade Administration	32,358
Economic Development Administration	3,734
National Telecommunications and Information Administration	8,220
National Technical Information Service	1,705
Bureau of the Census	39,043
Bureau of Economic Analysis	3,115
National Oceanic and Atmospheric Administration	58,699
National Institute of Standards and Technology	25,664
U.S. Patent and Trademark Office	17,837
Minority Business Development Agency	554
Bureau of Industry and Security	12,369
Office of the Inspector General	<u>2,811</u>
Total Commerce Bureaus	218,862
Other Agencies	<u>3,005</u>
<b>Total Working Capital Fund</b>	<b>221,867</b>

## Performance Indicators

The following table shows the DM performance indicators and its related Departmental strategic goal and objectives. Additional details appear at the end of the DM section of the Department of Commerce budget.

	2016		2017	
	Target	Actual	Target	2018 Target
<b>Goal: Operational Excellence</b>				
<b>Objective 5.1: Empower and engage Commerce employees</b>				
Score on the Employee Engagement Index	67%	69%	69%	69%
Score on the New Inclusion Quotient	64%	63%	64%	64%
<b>Objective 5.2: Support a service-oriented culture that responds to the needs of external and internal customers</b>				
Percentage of high-volume processes with customer feedback elements	100%	100%	100%	100%
<b>Objective 5.3: Manage for Results</b>				
Score on the Results-Oriented Performance Culture Index	61%	60%	61%	61%
<b>Objective 5.4: Improve facilities, support services, and information technology products and services to drive mission success</b>				
Cybersecurity Cross-Agency Priority Goal average for the Department	80%	85%	95%	95%
Percentage of internal customers satisfied with core mission support processes	70%	73%	75%	80%
Provide accurate and timely financial information and conform to Federal standards, laws and regulations governing accounting and financial management.	Eliminate any repeat significant deficiency within 1 year of determination	Eliminated two significant deficiencies, but one repeat significant deficiency (FISCAM) remains	Eliminate any repeat significant deficiency within one year of the determination	Eliminate any repeat significant deficiency within one year of the determination
	Complete FY 2016 A-123 assessment of internal controls	Completed FY 2016 A-123 assessment of Internal Controls	Complete FY 2017 A-123 assessment of internal controls.	Complete FY 2017 A-123 assessment of internal controls.
Unmodified Audit Opinion	Unmodified	Unmodified	Unmodified	Unmodified
For each administrative / business system, maintain compliance and alignment with OMB initiatives	Maintain Compliance	Maintained Compliance	Maintain Compliance	Maintain Compliance
Dollars awarded using high-risk contracting authorities	Maintain 10% reduction in the share of dollars obligated under new contract actions that are awarded with high-risk contracting authorities	\$324M	Maintain 10% reduction in the share of dollars obligated under new contract actions that are awarded with high-risk contracting authorities	Maintain 10% reduction in the share of dollars obligated under new contract actions that are awarded with high-risk contracting authorities
Savings achieved through more effective acquisition practices (millions)	\$18	\$25	\$18	\$17

	2016		2017	2018
	Target	Actual	Target	Target
Demonstrate effective management of information technology resources including cyber security	IT investments have cost /schedule overruns and performance shortfalls averaging less than 10%.	On average, for its major IT investments, the Department was within a 20% positive variance (under budget) and was within a 30% schedule variance.	IT investments have cost /schedule overruns and performance shortfalls averaging less than 10%.	IT investments have cost /schedule overruns and performance shortfalls averaging less than 10%.
	Continuous Monitoring – ongoing near real-time awareness and assessment of information security risks to support risk management decisions (95%)	The Enterprise Security Operations Center reached complete operational capability in August 2016 and is now ingesting data feeds from all Commerce bureaus (overall percentage - 79%)	Continuous Monitoring – ongoing near real-time awareness and assessment of information security risks to support risk management decisions (95%)	Continuous Monitoring – ongoing near real-time awareness and assessment of information security risks to support risk management decisions (95%)
	Strong Authentication - ensure only authorized employees have access to federal information systems following the HSPD-12 Personal Identity Verification standard (100% privileged users and 85% unprivileged users)	Privileged users: 90%, Unprivileged users - 86%	Strong Authentication - ensure only authorized employees have access to federal information systems following the HSPD-12 Personal Identity Verification standard (100% privileged users and 85% unprivileged users)	Strong Authentication - ensure only authorized employees have access to federal information systems following the HSPD-12 Personal Identity Verification standard (100% privileged users and 85% unprivileged users)
	Trusted Internet Connection Consolidation – ensures external Internet traffic and passing through a TIC or Managed Trusted Internet Protocol Services (MTIPS provider (100%))	TIC Consolidation is at 100% via MTIPS and TICAP for all bureaus	Trusted Internet Connection Consolidation – ensures external Internet traffic and passing through a TIC or Managed Trusted Internet Protocol Services (MTIPS provider (100%))	Trusted Internet Connection Consolidation – ensures external Internet traffic and passing through a TIC or Managed Trusted Internet Protocol Services (MTIPS provider (100%))
	Trusted Internet Connection Capabilities – ensure NOAA TIC service meets TIC 2.0 requirements (100%)	NOAA's TIC 2.0 compliance at 85% (44/52) based on the DHS FY16 TIC Capability Validation (TCV) report critical controls	Trusted Internet Connection Capabilities – ensure NOAA TIC service meets TIC 2.0 requirements (100%)	Trusted Internet Connection Capabilities – ensure NOAA TIC service meets TIC 2.0 requirements (100%)
	Perform IT Security compliance review of all OUs and 20 assessments	Conducted a total of 87 analyses, reviews, and assessments and compliance checks for participating bureaus, including 2 compliance reviews of government shared systems, 3 Cloud FedRAMP reviews, assessments of over 9 HVAs, and approximately 73 PIA reviews	Perform IT Security compliance review of all OUs and 20 assessments	Perform IT Security compliance review of all OUs and 20 assessments
Veteran Hires	27.0%	14%	26%	TBD
Mission-Critical Occupation (MCO) staffing	5%	8%	5%	5%
Permanent Attrition	7%	7%	7%	7%
Hiring timeline	65	101	65	65
Candidate quality	70%	62%	70%	70%
Disability hires	12%	15%	13%	13%



## Office of the Inspector General

The mission of the Office of the Inspector General (OIG) is to promote economy and efficiency in Department of Commerce programs and operations to prevent fraud, waste, and abuse. The OIG monitors and tracks the use of taxpayer dollars through audits, inspections, evaluations, and investigations. The Inspector General is required by law to keep the Secretary and Congress timely informed of problems and deficiencies relating to the administration of programs and operations and the need for corrective action.

OIG accomplishes this mission through the audit function which involves performance and financial audits and evaluations.

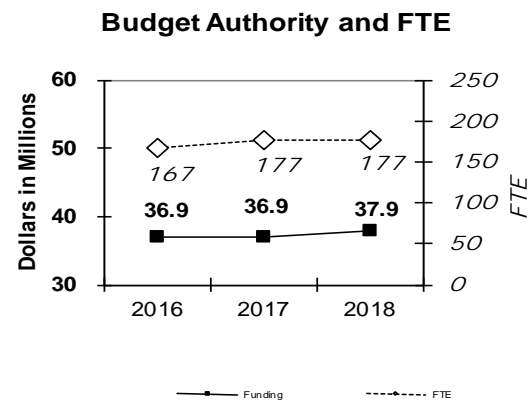
Performance audits address the efficiency, effectiveness, and economy of the Department's programs, activities, and information technology systems. Financial audits focus on compliance with generally accepted accounting principles, management's

responsibility for internal controls as defined by the Office of Management and Budget, and financial laws and regulations. Program evaluations are in-depth reviews of specific management issues, policies, or programs, while systems evaluations focus on system development, system acquisitions, operations, and policy of computer systems and other technologies.

The investigative function focuses on alleged or suspected improper and illegal activities involving employees, contractors, recipients of financial assistance, and others responsible for handling federal resources. OIG focuses on programs and operations with the greatest potential for identifying fraud, recovering funds, precluding unnecessary outlays, and improving management.

The OIG mission priorities are to provide a unique, independent voice to the Secretary of Commerce, the Department's senior leaders, and to Congress. OIG combats fraud, waste, abuse, and mismanagement, and improves the efficiency, effectiveness, and economy of Department operations. The OIG has authority to inquire into all program and administrative activities of the Department, including individuals or organizations performing under contracts, grants, cooperative agreements, and other financial assistance awards. The Inspector General Act of 1978, as amended and other legislation authorizes the specific functions and programs that make up these broad activities.

In FY 2018, OIG will provide oversight of the Department's management challenges, the most important of which are FirstNet, Environmental Satellites, 2020 Census, and IT Security. The capability of OIG to provide oversight corresponds directly to its level of funding. OIG receives directed transfers for some of the Department's most significant challenges; i.e. NOAA Environmental Satellites, the 2020 Census, and USPTO. The oversight OIG provides for the Department's other major challenges, FirstNet and IT Security, must compete with the oversight OIG provides to Commerce's entire diverse portfolio of programs, as well as with oversight of contracting, procurement, trade promotion, export control, as well as the Department's financial statements.



## Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Inspector General	\$32,000	\$32,000	\$32,000	\$0
<b>Total Appropriation</b>	<b>32,000</b>	<b>32,000</b>	<b>32,000</b>	<b>0</b>
Transfer from Census	1,551	1,551	2,580	1,029
Transfer from NOAA	1,302	1,302	1,302	0
Transfer - Spending Authority (PTO)	2,000	2,000	2,000	0
<b>Total Budget Authority</b>	<b>36,853</b>	<b>36,853</b>	<b>37,882</b>	<b>1,029</b>
<b>FTE</b>	<b>167</b>	<b>177</b>	<b>177</b>	<b>0</b>
<b>Permanent Positions</b>	<b>177</b>	<b>177</b>	<b>178</b>	<b>1</b>

## Highlights of Budget Changes

### Appropriation: Office of the Inspector General

#### Summary of Requirements

	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>177</b>	<b>\$32,000</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$144		
2018 Pay raise		459		
Civil Service Retirement System (CSRS)		(17)		
Federal Employees' Retirement System (FERS)		64		
Thrift Savings Plan		9		
Federal Insurance Contributions Act (FICA) - OASDI		38		
Health insurance		50		
Employee Compensation Fund		2		
Travel - Per diem		7		
Rent payments to GSA		43		
Working Capital Fund		(515)		
General Pricing Level Adjustment				
Communications and miscellaneous		6		
Other Services		116		
Supplies and materials		2		
Equipment		22		
Subtotal, other changes			0	430
Total, Adjustments to Base			0	430
<b>2018 Base</b>			<b>177</b>	<b>32,430</b>
Program Change			0	(430)
<b>2018 Appropriation</b>			<b>177</b>	<b>32,000</b>



**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>								
Inspector General	177	\$36,853	177	\$37,283	177	\$37,882	0	\$599
<b>TOTAL BUDGET AUTHORITY</b>	177	36,853	177	37,283	177	37,882	0	599
Transfers from other accounts		(4,853)				(5,882)		
<b>TOTAL APPROPRIATION</b>	177	32,000			177	32,000		

**Highlights of Program Changes**

	FTE	Base Amount	Increase / Decrease	
			FTE	Amount
<b>Office of the Inspector General</b>	177	\$37,283	0	+\$599
<u>Increased Oversight of 2020 Census Activities</u>			+3	+\$1,029

For FY 2018, OIG requests an increased transfer of \$1.029 million and 3 FTE for increased oversight of the 2020 Census activities in the Department of Commerce, for a total transfer from the Census Bureau of \$2.580 million. The Census Bureau is targeting major design changes in four key areas: new methodologies to conduct address canvassing; options to increase household self-response; the use of administrative records to reduce the nonresponse follow up workload; and reengineering field operations through the use of technology to replace intensive paper processes (such as enumeration, payroll, and training), realigning staff, and reducing the number of field offices. As the Bureau shifts from final testing towards 2020 Census implementation, OIG will need to field additional teams with more staff (current audit teams typically have two to three members), expanding the breadth of operational coverage as well as the scope. In order to provide adequate oversight of the Census Bureau for the 2020 Census, without reducing the level of oversight to other areas of the Department, OIG will require significantly more resources as the decennial census ramps up later in the decade.

<u>Reduction in General Oversight to Offset Inflationary Increases</u>	0	\$0	-3	-\$430
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For FY 2018, OIG requests a decrease of \$0.430 million and 3 FTE to offset inflationary increases to rent and other costs including pay increases. To achieve the decreases, OIG would not fill anticipated vacancies for two auditors and a criminal investigator. A decrease in the number of auditors by two would result in one less audit report produced in FY 18 and each year thereafter. A reduction of by one in the number of criminal investigators would result in approximately 15 cases not investigated by OIG in FY 18 and each year thereafter. Instead, the complaints would be sent to the relevant bureaus for administrative inquiries. At OIG's current five-year average return on investment, this reduction will result in a reduction of \$2.3 million of financial benefits from OIG audits and investigations.

## Performance Indicators

The following table shows the OIG performance indicators and the related Departmental strategic goal and objective. Additional details appear at the end of the OIG section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Operational Excellence</b>				
<b>Objective 5.3: Manage for results</b>				
% of OIG recommendations accepted by Departmental and bureau management	95%	100%	95%	95%
Dollar value of financial benefits identified by OIG (millions).	\$70	\$42	\$70	\$70
% of investigative cases complete within 365 days	70%	56%	70%	70%

## Economic Development Administration

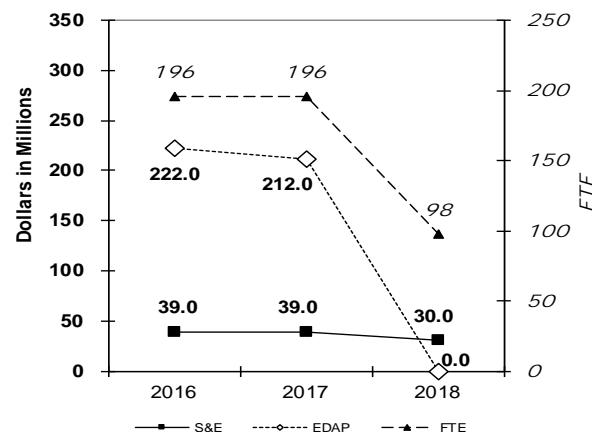
The Administration's 2018 Budget prioritizes rebuilding the military and making critical investments in the Nation's security. It also identifies the savings and efficiencies needed to keep the Nation on a responsible fiscal path. The Administration has made the necessary tradeoffs and choices inherent in pursuing these goals. This means changing the role and size of the Federal Government and prioritizing the programs that provide a good return for the taxpayer, as well as those that serve the most critical functions, while consolidating or eliminating duplicative, ineffective or less critical programs. Many difficult decisions were necessary to reach the funding level provided in this budget, and the elimination of the Economic Development Administration (EDA) is one of them.

In support of these goals, the EDA FY 2018 budget requests program decreases to provide offsets to rebuild the military and make critical investments in the Nation's security. This budget requests \$30 million to cover the costs associated with closing down the agency. This budget assumes that an orderly closeout of agency functions will begin in FY 2018.

In light of this proposal to close down EDA, the Administration is also including in the general provisions for the Department of Commerce, specific language to allow for the de-federalization of its Revolving Loan Fund grants. This language is necessary for the orderly close down of EDA's operations. Without the authority, EDA or any successor operating unit within the Department, would have to administer and monitor these grants in perpetuity because the federal interest in this type of grant does not end.

Since EDA's inception 52 years ago, EDA has led the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA is proud of the investments it has made in economically distressed regions, based on their locally-driven strategies and needs, and the outcomes of those investments which spurred local innovation and entrepreneurship creating and saving jobs and leveraging private investments.

**Budget Authority and FTE**



## Summary of Appropriations

<u>Appropriation</u>	<u>2016 Actual</u>	<u>2017 CR Annualization</u>	<u>2018 Estimate</u>	<u>Increase (Decrease)</u>
Salaries and Expenses	\$39,000	\$39,000	\$30,000	(\$9,000)
Economic Development Assistance Programs	222,000	222,000	0	(222,000)
<b>Total, Appropriation</b>	261,000	261,000	30,000	(231,000)
Unobligated Balance Rescission		(10,000)	(47,000)	(37,000)
<b>Total, Budget Authority</b>	261,000	251,000	(17,000)	(268,000)
<b>FTE</b>	196	196	98	(98)
<b>Permanent Positions</b>	196	196	98	(98)

## Highlights of Budget Changes

(Dollars in Thousands)

### Appropriation: Salaries and Expenses

#### Summary of Requirements

	FTE	Amount	FTE	Amount
<b>2017 CR Annualization</b>			<b>196</b>	<b>\$39,000</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$114		
2018 Pay raise		346		
Civil Service Retirement System (CSRS)		(25)		
Federal Employees' Retirement System (FERS)		49		
Thrift Savings Plan		7		
Federal Insurance Contributions Act (FICA) - OASDI		54		
Health insurance		44		
Employee Compensation Fund		(7)		
Travel - Per diem		2		
Rent payments to GSA		76		
Postage		1		
NARA		(20)		
Working Capital Fund		(724)		
General Pricing Level Adjustment				
Rental payments to others		5		
Other Services		70		
Supplies and materials		2		
Equipment		6		
Subtotal, other changes			0	0
Total, Adjustments to Base			0	0
<b>2018 Base</b>			<b>196</b>	<b>39,000</b>
Program Change			-98	(9,000)
<b>2018 Appropriation</b>			<b>98</b>	<b>30,000</b>

#### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>								
Salaries and Expenses	196	\$39,000	196	\$39,000	98	\$30,000	(98)	(\$9,000)
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	196	39,000	196	39,000	98	30,000	(98)	(9,000)

#### Highlights of Program Changes

<b>Salaries and Expenses</b>	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
	196	\$39,000	-98	-\$9,000

EDA proposes a program decrease of \$9.0 million for a total of \$30.0 million and 98 FTE for the Salaries and Expenses Program. This funding level supports the elimination of EDA and covers the anticipated costs associated with winding down its operations such as severance payments, lump sum leave payments, termination fees, legal fees, and other costs. The close down plan includes the reduction of staff through involuntary separation and the transfer to another federal agency the monitoring and servicing of open grants and loans until their closeout date. Based on the 1,405 open grants and loans

remaining open as of April 2017, EDA estimates it will take an additional six years to close them. There will be continued costs to the organization monitoring and servicing EDA's grants and loans until they are all closed. After the grants are closed, there is post-close-out work that will need to occur through the useful life of the projects, often up to 20 years. This monitoring will also need to be performed by the federal grant making organization designated to assume EDA's grant and management functions.

## Appropriation: Economic Development Assistance Programs

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 CR Annualization</b>	<b>0</b>	<b>\$222,000</b>
<b>Total Appropriation</b>	<b>0</b>	<b>222,000</b>
Unobligated Balance Recission		-10,000
<b>2018 Base</b>	<b>0</b>	<b>212,000</b>
Program Changes	<b>0</b>	<b>-212,000</b>
<b>2018 Appropriation</b>	<b>0</b>	<b>0</b>

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>DIRECT OBLIGATIONS</b>								
Public Works	0	\$100,000	0	\$100,000	0	\$0	0	(\$100,000)
Partnership Planning	0	32,000	0	32,000	0	0	0	(32,000)
Technical Assistance	0	10,500	0	10,500	0	0	0	(10,500)
Research and Evaluation	0	1,500	0	1,500	0	0	0	(1,500)
Trade Adjustment Assistance	0	13,000	0	13,000	0	0	0	(13,000)
Economic Adjustment Assistance	0	35,000	0	35,000	0	0	0	(35,000)
Assistance to Coal Communities	0	15,000	0	15,000	0	0	0	(15,000)
Innovative Technologies in Manufacturing	0	0	0	0	0	0	0	0
Loan Guarantees	0	0	0	0	0	0	0	0
Regional Innovation	0	15,000	0	15,000	0	0	0	(15,000)
<b>TOTAL APPROPRIATION</b>	<b>0</b>	<b>222,000</b>	<b>0</b>	<b>222,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(222,000)</b>
Unobligated Balance Rescission		(10,000)		(10,000)		(47,000)	0	(37,000)
<b>TOTAL BUDGET AUTHORITY</b>	<b>0</b>	<b>212,000</b>	<b>0</b>	<b>212,000</b>	<b>0</b>	<b>(47,000)</b>	<b>0</b>	<b>(259,000)</b>

### Highlights of Program Changes

The Administration is eliminating EDA in FY 2018 and is not requesting funding for its grant programs. The following program amounts do not include the \$10 million rescission that was included in the annualized CR calculation.

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b><u>Public Works</u></b>	0	\$100,000	0	-\$100,000
<b><u>Partnership Planning</u></b>	0	\$32,000	0	-\$32,000
<b><u>Technical Assistance</u></b>	0	\$10,500	0	-\$10,500
<b><u>Research and Evaluation</u></b>	0	\$1,500	0	-\$1,500
<b><u>Trade Adjustment Assistance</u></b>	0	\$13,000	0	-\$13,000
<b><u>Economic Adjustment Assistance</u></b>	0	\$35,000	0	-\$35,000
<b><u>Assistance to Coal Communities</u></b>	0	\$15,000	0	-\$15,000
<b><u>Innovative Technologies to Manufacturing Loan Guarantees</u></b>	0	\$0	0	-\$0
<b><u>Regional Innovation</u></b>	0	\$15,000	0	-\$15,000

## Performance Indicators

The table below shows the EDA performance Indicators and the related Departmental strategic goals and objectives. Additional details appear at the end of the EDA section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Trade and Investment</b>				
<b>Objective 1.2: Increase U.S. exports</b>				
Number of grants that support place-based export strategies	43	59	63	N/A
Dollar amount of grants that support place-based export strategies (millions)	\$59.2	\$67.8	\$61.0	N/A
<b>Objective 1.3: Increase high-impact inward foreign direct investment into the United States</b>				
Recipient-estimated number of jobs generated as a result of grants that support inward investment	6,908	4,341	3,907	N/A
Recipient-estimated dollar amount of private investment generated as a result of grants that support inward investment (millions)	\$1,100.0	\$1,400.0	\$1,300.0	N/A
<b>Goal: Innovation</b>				
<b>Objective 2.3: Catalyze innovation ecosystems</b>				
Number of grants that support innovation-based capacity building activities	173	232	209	N/A
Dollar amount of grants that support innovation-based capacity building activities (millions)	\$107.6	\$111.1	\$100.0	N/A
Number of jobs generated as a result of infrastructure for industry-driven skills training	8,822	5,007	4,506	N/A
Dollar amount of private investment generated as a result of infrastructure for industry-driven skills training (millions)	\$534.1	\$174.9	\$157.4	N/A
<b>Goal: Environment</b>				
<b>Objective 3.3: Strengthen the resiliency of communities and regions</b>				
Number of grants that support resiliency in communities and regions	192	300	270	N/A
Dollar amount of grants that support resiliency in communities and regions (millions)	\$57.4	\$79.2	\$71.3	N/A

	2016		2017	2018
	Target	Actual	Target	Target
<b>The following indicators support Goals 1, 2 and 3, and Objectives 1.2, 1.3, 2.1, 2.3, and 3.3</b>				
Private sector dollars invested in distressed communities as a result of EDA investments	\$156 M from FY 2013 funding	\$407 M	\$176 M from FY 2014 funding	\$323 from FY 2015 funding
	\$652 M from FY 2010 funding	\$1,003 M	\$561 M from FY 2011 funding	\$525 from FY 2012 funding
	\$1,293 M from FY 2007 funding	\$2,783 M	\$1,223 M from FY 2008 funding	\$2,186 from FY 2009 funding
Jobs created or retained in distressed communities as a result of EDA investments	3,633 from FY 2013 funding	4,109	4,037 from FY 2014 funding	7,322 from FY 2015 funding
	15,834 from FY 2010 funding	24,101	13,392 from FY 2011 funding	12,348 from FY 2012 funding
	33,141 from FY 2007 funding	21,252	31,280 from FY 2008 funding	55,915 from FY 2009 funding
% of economic development districts and Indian tribes implementing projects from the CEDS process that lead to private investment and jobs	95%	80%	95%	95%
% of substate jurisdiction members actively participating in the economic development district program	89%	86%	89%	89%
% of University Center (UC) clients taking action as a result of University Center assistance	75%	77%	75%	75%
% of those actions taken by UC clients that achieve the expected results	83%	90%	83%	83%
% of Trade Adjustment Assistance Centers (TAACs) clients taking action as a result of TAAC assistance	90%	76%	90%	90%
% of those actions taken by TAAC clients that achieved the expected results	95%	97%	95%	95%



## Bureau of the Census

The mission of the Bureau of the Census (Census) is to serve as the leading source of quality data about the Nation's people and economy.

To accomplish this mission, Census measures and disseminates information about the Nation's dynamic economy, society, and institutions, fostering economic growth and advancing scientific understanding, and facilitating informed decisions. It does this through the following appropriations:

The **Current Surveys and Programs** appropriation provides for monthly, quarterly, and annual surveys, and other programs that are used for planning by both the public and private sectors. Census's current economic statistics programs include twelve principal economic indicators and profile U.S. businesses and government organizations. Current demographic statistics programs provide detailed and integrated information on the social, demographic, economic, and housing conditions of the United States, including measures of income, poverty, and health insurance.

The **Periodic Censuses and Programs** appropriation funds the Decennial Census, which is conducted every ten years, and the Economic Census, and the Census of Governments, which are conducted every five years. It also funds other programs, including the American Community Survey (ACS), which produces annual, detailed community-level demographic socio-economic estimates, permitting the Decennial Census to collect only minimal demographic information; and the Geographic Support program, which provides the address lists, geospatial data products, and processing systems that support the geographic requirements of all Census Bureau programs, as well as local governments and businesses that use Census Bureau Geographic data. All of these programs are valuable resources for both Federal and local decision-makers. Finally, the Enterprise Data Collection and Dissemination Systems program provides critical infrastructure to Census Bureau surveys and censuses.

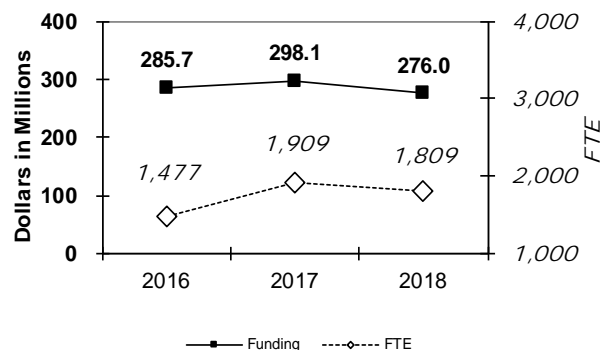
The Medicare, Medicaid, and State Children's Health Insurance Program Bill (P.L. 106-113) established and funded (through mandatory appropriations) the **State Children's Health Insurance Program (SCHIP)**. The SCHIP produces statistically reliable annual state estimates on the number of low-income children who do not have health insurance coverage. Information from the SCHIP is used to allocate funds to states based on estimates from the March Income Supplement to the Current Population Survey (CPS). The SCHIP program was reauthorized by the Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111-3).

The Personal Responsibility and Work Opportunity Reconciliation Act of FY 1996, also known as the Welfare Reform Act (P.L. 112-9, Extended) established and funded (through mandatory appropriations) the **Survey of Program Dynamics (SPD)**. The SPD provides policy makers with socioeconomic data to evaluate the impact of the welfare reforms on state welfare program recipients. The FY 2015 appropriations bill changed the funding for this program to a one-time transfer of funds from the Contingency Fund of State Welfare Programs established under section 403(b) of the Social Security Act (43 U.S.C. 603 (b)). This transfer was repeated in FY 2016 and the FY 2017 Continuing Resolution. The FY 2018 Budget proposes that funding be provided for the SPD by a transfer from the amount authorized for Temporary Assistance for Needy Families (TANF) Family Assistance Grants, instead of by a transfer from the Contingency Fund as executed in previous years.

The **Working Capital Fund (WCF)** is a revolving fund account funded by contributions from appropriated and reimbursable accounts used to finance services within Census, which are more efficiently performed on a centralized

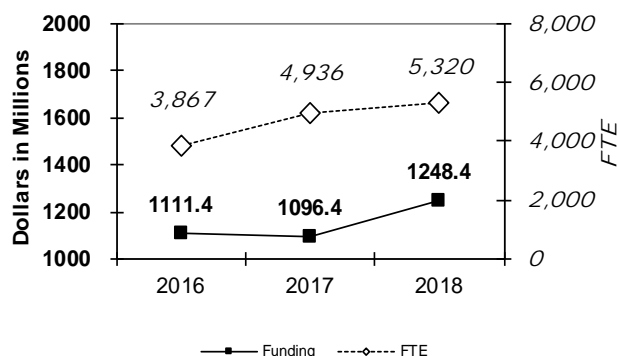
### Current Surveys and Programs

Budget Authority and FTE



### Periodic Censuses and Programs

Budget Authority and FTE



basis. The WCF also includes funds received by Census to perform work for other Federal agencies, state and local governments, foreign governments, and the private sector.

In FY 2018, Census continues to fulfill its mission by focusing on key activities. A critical priority in the FY 2018 Budget is the 2020 Census. The 2020 Census is designed to cost less per housing unit than the 2010 Census (when adjusted for inflation), while continuing to maintain the highest standards of accuracy amongst all population groups. Census plans to achieve this by conducting the most automated, modern, and dynamic decennial census in history. The 2020 Census includes sweeping design changes in four key areas, including new methodologies to conduct address canvassing, innovative ways of optimizing self-response, the use of administrative records to reduce the nonresponse follow up workload, and the use of technology to replace tasks traditionally conducted by humans during field operations. The goal is to achieve cost savings by adding new addresses to the Bureau's address frame using geographic information systems and aerial imagery instead of sending Census employees to walk and physically check 11 million census blocks; encouraging the population to respond to the 2020 Census using the Internet; using data the public has already provided to the government to reduce the number of non-responding households; and using sophisticated operational control systems to determine the routing and frequency by which Census employees conduct follow-up with non-responding housing units and to track daily progress. Census estimates that conducting a 2020 Census that includes these major cost-saving innovations has the potential to reduce total lifecycle costs compared to repeating the 2010 design in the 2020 Census.

A key piece of enabling technology that underpins the 2020 Census is the Census Enterprise Data Collection and Process (CEDCaP) program. With CEDCaP, Census is creating an integrated and standardized suite of systems that offers shared data collection and processing services across the enterprise. These will not be one time-use solutions. Census will consolidate costs by retiring unique, survey-specific systems and redundant capabilities. The enterprise solution will be mature and proven for the 2020 Census, becoming a permanent enterprise data collection and processing environment at an estimated cost lower than the cost of 2010 Census systems alone. CEDCaP works in concert with the 2020 Census program, which funds several of the systems that, combined, move Census toward common enterprise solutions for data collection and processing functions.

In keeping with the Federal Digital Strategy, Census has set a goal to unlock the potential of its data and products to better meet the needs of its users. This budget request includes funding across the enterprise that would create new products enabling users such as businesses, policy makers, and the American public to make better data-driven decisions based on credible statistics, easy-to-use tools, and standardized data elements. Broad dissemination of Census's economic, demographic, and housing data, and the analysis that comes with those releases, fuels the world's largest economy; helps local planners project future needs for public services; measures and helps assess the performance of government programs; and empowers individuals to innovate, create jobs, and launch new enterprises. Keeping pace with increasing customer demands driven by technological innovation is important to the mission of disseminating data that helps measure the country's progress, maintains oversight of government, and enables innovation that strengthens America's economy. To accomplish these goals, Census has embarked upon a multiyear, innovative effort to transform and expand the dissemination of Census content. It empowers data users to find, to access, to connect, and to use data in ways that better their lives and communities, and it stimulates economic invention and growth. Such a comprehensive transformation requires leadership and insight to achieve an efficient yet impactful outcome. The changes touch nearly every office and branch across headquarters and in the regions. To manage this effort, Census is forming a new, collaborative Center of Dissemination Services and Consumer Innovation (CEDSCI) with representation from across multiple directorates.

The President's FY 2018 budget request enables the Department of Commerce to achieve its goal of generating jobs, increasing trade, and advancing scientific understanding by providing timely, relevant, trusted, and accurate data needed by policymakers and public and private decision makers.

## Summary of Appropriations

	2016	2017 CR	2018	Increase
	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>(Decrease)</u>
<b><u>Discretionary Appropriations</u></b>				
Current Surveys and Programs	\$270,000	\$269,487	\$246,000	(\$23,487)
Periodic Censuses and Programs	1,100,000	1,097,912	1,251,000	153,088
<b>Total Discretionary Appropriation</b>	<b>1,370,000</b>	<b>1,367,399</b>	<b>1,497,000</b>	<b>129,601</b>
<b><u>Permanent Appropriation</u></b>				
Survey of Program Dynamics	0	0	10,000	10,000
State Children's Health Insurance Program	20,000	20,000	20,000	0
Transfers from Other Accounts to Mandatory	10,000	9,981	0	(9,981)
Transfers from Other Accounts to PC&P	12,925			
Transfers from CS&P to other Accounts	(12,925)			
Sequestration from Mandatory	(1,360)	(1,380)	0	1,380
Transfers from PC&P to Other Accounts	(1,551)	(1,551)	(2,580)	(1,029)
<b><u>Budget Authority</u></b>				
Current Surveys and Programs	285,715	298,088	276,000	(22,088)
Periodic Censuses and Programs	1,111,374	1,096,361	1,248,420	152,059
<b>Total Budget Authority</b>	<b>1,397,089</b>	<b>1,394,449</b>	<b>1,524,420</b>	<b>129,971</b>
<b><u>FTE</u></b>				
Current Surveys and Programs	1,285	1,648	1,548	(100)
Periodic Censuses and Programs	3,867	4,936	5,320	384
<b>Total Discretionary FTE</b>	<b>5,152</b>	<b>6,584</b>	<b>6,868</b>	<b>284</b>
Mandatory (Current Surveys and Programs)	192	261	261	0
Working Capital Fund	3,551	4,199	3,320	(879)
<b>Total FTE</b>	<b>8,895</b>	<b>11,044</b>	<b>10,449</b>	<b>(595)</b>
<b><u>Permanent Positions</u></b>				
Current Surveys and Programs	1,206	1,592	1,460	(132)
Periodic Censuses and Programs	2,828	3,327	3,166	(161)
<b>Total Discretionary Permanent Positions</b>	<b>4,034</b>	<b>4,919</b>	<b>4,626</b>	<b>(293)</b>
Mandatory (Current Surveys and Programs)	93	190	190	0
Working Capital Fund	1,681	1,791	1,727	(64)
<b>Total Permanent Positions</b>	<b>5,808</b>	<b>6,900</b>	<b>6,543</b>	<b>(357)</b>

## Highlights of Budget Changes

### Appropriation: Current Surveys and Programs

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>1,648</b>	<b>\$269,487</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$1,049		
2018 Pay raise		2,923		
Civil Service Retirement System (CSRS)		(183)		
Federal Employees' Retirement System (FERS)		358		
Thrift Savings Plan		105		
Employee Compensation Fund		(1)		
Federal Insurance Contributions Act (FICA) - OASDI		130		
Health insurance		269		
Travel - Per Diem		64		
Travel - Mileage		(24)		
Rent payments to GSA		195		
Postage		55		
Printing and reproduction		15		
NARA		10		
Other services:				
Department of Commerce Working Capital Fund		(1,616)		
Commerce Business System		99		
General Pricing Level Adjustment:				
Transportation of things		3		
Rental payments to others		2		
Communications, utilities, and misc. charges		17		
Other services		796		
Supplies and materials		19		
Equipment		56		
Subtotal, other changes			0	4,341
Total, Adjustments to Base			0	4,341
<b>2018 Base</b>			<b>1,648</b>	<b>273,828</b>
Program Changes			(100)	(27,828)
<b>2018 Appropriation</b>			<b>1,548</b>	<b>246,000</b>

## Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>DISCRETIONARY BUDGET AUTHORITY</b>								
Current surveys and statistics								
Current economic statistics	1,111	\$185,931	1,111	\$189,092	1,073	\$171,891	(38)	(\$17,201)
Current demographic statistics	537	83,556	537	84,736	475	74,109	(62)	(10,627)
Total, Discretionary Budget Authority	1,648	269,487	1,648	273,828	1,548	246,000	(100)	(27,828)
<b>MANDATORY BUDGET AUTHORITY</b>								
Survey of Program Dynamics	64	9,981	64	10,000	64	10,000	0	0
State Children's Health Insurance Program	197	18,620	197	20,000	197	20,000	0	0
Total, Mandatory Budget Authority	261	28,601	261	30,000	261	30,000	0	0
<b>TOTAL BUDGET AUTHORITY</b>	1,909	298,088	1,909	303,828	1,809	276,000	(100)	(27,828)
<b>FINANCING</b>								
Transfers to Mandatory from Other Accounts	(64)	(9,981)			(64)	(10,000)		
Sequestration		1,380						
Less Permanent Appropriation	(197)	(20,000)			(197)	(20,000)		
<b>TOTAL APPROPRIATION</b>	1,648	269,487			1,548	246,000		

## Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b>Current Economic Statistics</b>	1,111	\$189,092	-38	-\$17,201

In FY 2018, the Current Economic Statistics programs will reengineer survey operations, scale back on planned research, and make operational and methodological changes to surveys, while preserving the data that businesses use to make investment and other decisions and that drive economic growth. These actions will enable Census to cover inflationary costs while continuing to meet the mission of these programs. Specifically, Census will evaluate the potential to redesign the Annual Capital Expenditures Survey and the Business R&D Innovation Survey, and implement methodological changes to surveys. Census also will prioritize survey processing and enhancements by optimizing schedules so that funds are directed only to the most critical enhancements.

<b>Current Demographic Statistics</b>	537	\$84,736	-62	-\$10,627
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The Current Demographic Statistics programs funding levels will allow for CPS data collection and methodological improvements in Small Area Health Insurance Estimates (SAHIE). However, work for both will be reduced from current levels with some impact on data quality, the rate at which methodological improvements are incorporated into the SAHIE estimates, and the schedule for implementation of a new processing system for the CPS Annual Social and Economic supplement.

FY 2018 resource levels will allow the first wave of the new FY 2018 Survey of Income and Program Participation (SIPP) Panel to include approximately 31,900 households. This smaller sample, while providing the data users need to analyze income, poverty, and program participation, will be less statistically precise than in past SIPP panels. In addition, methodological improvements to the supplemental poverty measure will be prioritized and will be incorporated over a longer schedule than in FY 2017; the national population projections will be calculated once every four years, rather than every two; and outreach and benchmarking work for international migration will continue at a reduced level.

Census also will move from biannual to annual processing of MAF updates for current demographic surveys, reduce resources for hardware and software updates and maintenance, and prioritize research initiatives focused on reducing costs and increasing quality for the current demographic surveys.

These actions will enable Census to cover inflationary costs, while continuing to meet the missions of these valuable programs.

## Appropriation: Periodic Censuses and Programs

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>4,936</b>	<b>\$1,097,912</b>
Transfer to OIG				(1,551)
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$2,843		
2018 Pay raise		7,528		
Civil Service Retirement System (CSRS)		(444)		
Federal Employees' Retirement System (FERS)		869		
Thrift Savings Plan		254		
Federal Insurance Contributions Act (FICA) - OASDI		339		
Health insurance		709		
Employees' Compensation Fund		(516)		
Travel - Per Diem		56		
Travel - Mileage		(93)		
Rent payments to GSA		613		
Postage		449		
Printing and reproduction		86		
General Pricing Level Adjustment:				
Transportation of things		21		
Rental payments to others		128		
Communications, utilities, and misc. charges		91		
Other services		8,977		
Supplies and materials		66		
Equipment		386		
Subtotal, other changes			0	22,362
Total, Adjustments to Base			0	22,362
<b>2018 Base</b>			<b>4,936</b>	<b>1,118,723</b>
Program Changes			384	129,697
Transfer to OIG			0	2,580
<b>2018 Appropriation</b>			<b>5,320</b>	<b>1,251,000</b>

**Comparison by Activity**

<b>BUDGET AUTHORITY</b>	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Periodic economic statistics programs:								
Economic censuses	494	\$100,415	494	\$102,546	494	\$100,606	0	(\$1,940)
Census of governments	49	8,927	49	9,121	49	8,944	0	(177)
Subtotal, Economic statistics	543	109,342	543	111,667	543	109,550	0	(2,117)
Demographic statistics programs:								
2020 decennial census	1,799	659,105	1,799	672,080	2,283	800,174	484	128,094
American community survey	2,165	213,163	2,165	217,814	2,021	213,569	(144)	(4,245)
Subtotal, Demographic statistics	3,964	872,268	3,964	889,894	4,304	1,013,743	340	123,849
Geographic support	292	58,850	292	60,106	292	58,962	0	(1,144)
Enterprise data collection and dissemination systems	137	55,901	137	57,056	181	66,165	44	9,109
<b>TOTAL BUDGET AUTHORITY</b>	4,936	1,096,361	4,936	1,118,723	5,320	1,248,420	384	129,697
Transfer to OIG		1,551				2,580		
<b>TOTAL APPROPRIATION</b>	4,936	1,097,912			5,320	1,251,000		

**Highlights of Program Changes**

<b>Demographic statistics programs</b>	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2020 Decennial Census</b>	1,799	\$672,080	+484	+\$128,094

Census plans to conduct a high quality 2020 Census by implementing the most automated, modern, and dynamic decennial census in history. The 2020 Census includes sweeping design changes in four key areas, including new methodologies to conduct address canvassing, innovative ways of optimizing self-response, the use of administrative records to reduce the Non-Response Follow-Up (NRFU) workload, and the use of technology to reduce the time spent on tasks traditionally conducted manually with paper by people during field operations. New addresses will be added to the Bureau's address frame using geographic information systems and aerial imagery instead of sending Census employees to walk and physically check 11 million census blocks; the population will be encouraged to respond to the 2020 Census using the Internet; the NRFU workload will be reduced by using data the public has already provided to the government; and sophisticated operational control systems will efficiently manage Census employees who are following up with non-responding housing units. Census estimates that conducting a 2020 Census that includes these major cost-saving innovations has the potential to reduce total lifecycle costs compared to repeating the 2010 design in the 2020 Census.

Since 2012, Census has been studying and testing cost-saving design innovations. As outlined in the initial 2020 Census Operational Plan<sup>1</sup> and 2020 Census Research and Testing Management Plan<sup>2</sup>, findings and metrics from these tests have led to significant decisions and have helped shape the design of the 2020 Census. In 2013, the Bureau conducted a test of adaptive design methodologies and automated case management in the Nonresponse Follow-up (NRFU) operation in Philadelphia, PA. In 2014, an Internet Self-Response and NRFU test was conducted in Montgomery County, MD, and Washington, DC. In 2015, Census conducted the 2015 Optimizing Self-Response Test in the Savannah, GA area to test operations related to self-response. That same year, Census conducted the 2015 Census Test in Maricopa County, AZ to test operations related to Nonresponse Follow-up and the 2015 National Content Test to test the content of the census questionnaire. During the 2016 Census Test, Self-Response and Nonresponse Follow-up operations and systems were integrated into a single test conducted in Los Angeles County, CA and Harris County, TX. In FY 2017, tests include the Address Canvassing Test and the 2017 Census Test. Specific objectives of the Address Canvassing Test included measuring the effectiveness of In-Office and In-Field Address Canvassing and studying the impact of partner and commercial data on the quality of the Master Address File (MAF). Objectives of the 2017 Census Test included testing self-response, systems and cloud testing, Census Questionnaire Assistance (CQA), and testing the feasibility of collecting tribal enrollment information.

<sup>1</sup> <http://www.census.gov/programs-surveys/decennial-census/2020-census/planning-management/planning-docs/operational-plan.html>

<sup>2</sup> <https://www.census.gov/programs-surveys/decennial-census/2020-census/planning-management/planning-docs/research-testing-plan.html>

<b>Demographic statistics programs</b>	<u>FTE</u>	<u>Base</u>	<u>Increase / Decrease</u>	
		<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>American Community Survey</b>	2,165	\$217,814	-144	-\$4,245

In FY 2018, the ACS will use three modes of data collection (i.e., mail, internet, and Computer Assisted Personal Interview). To improve the efficiency of the survey, the ACS plans to reduce the efforts of the data collection process via the Computer-Assisted Telephone Interviewing (CATI) of nonresponse follow-up operations.

Americans have changed the way in which they use telephones. The decline of the use of landline telephones and their replacement with mobile devices have decreased the productivity of the CATI operation. Program data over the last few years has shown the cost per successful follow-up interviews has risen to the point where it equals to personal visits to non-responding households. At the same time, the number of attempts required to reach respondents via telephone has become a source of respondent complaints about the ACS. The CATI efforts will be reduced and result in an increase to the number of households included in the Computer-Assisted Personal Interview (CAPI) operation.

Reduction of the CATI operation will result in some loss to the quality of ACS data, especially in the smallest geographic areas, as not all non-responding households are included in the CAPI operation.

Additionally, the ACS will reduce FY 2018 operations aimed at ensuring that field representatives working on the survey are fully trained and are following best practices. The program will also reduce planned research into new content and methods.

### **Periodic economic statistics programs**

<b>Economic censuses</b>	543	\$111,667	0	-\$2,117
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FY 2018 represents the fourth year of the six-year 2017 Economic Census cycle and third year of the five-year cycle for the 2017 Census of Governments. Efforts in FY 2018 shift from preparatory activities such as designing the operations and determining the content to collection and processing of the data. Census will finalize the collection instrument, sampling methodology, mail lists, and conduct the initial mail-out for the 2017 Economic Census, Census of Island Areas, and the Census of Governments. This includes collecting the data via the Internet, implementing the 2017 North American Industry Classification System and North American Product Classification System, providing phone and web assistance for internet respondents, and beginning to process the data. The Economic Census will leverage mature data collection and processing systems as well as a new data dissemination system being developed for the enterprise. As with the 2017 Census of Governments: Organization and Employment components, Census will leverage enterprise solutions like Centurion for Internet data collection and CEDSCI for dissemination when feasible to increase cost-effectiveness. Census also will continue to develop and implement more effective data editing strategies to increase efficiencies of data processing. Additionally, work will continue on the development and testing of standardized data editing and imputation, analysis systems, and exploring the use of "big data" to supplement data received from businesses and new strategies for publicizing and disseminating survey results. Activities relating to the four elements of an efficient Economic Census and Census of Governments for FY 2018 are the following: Moving to 100% Internet Reporting, Reducing the Burden for Businesses, Automating Operations to Increase Productivity, and Improving Data Products to Reflect Our Dynamic U.S. Economy.

<b>Geographic support</b>	292	\$60,106	0	-\$1,144
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The GSS Program activities in support of the MAF/TIGER System Updates increase in FY 2018 to ensure that an accurate frame is built and maintained to properly support the 2020 operations. Activities in support for the Partnership and Outreach Program and the Boundary and Annexation (BAS) increase as the Bureau prepares for the 2020 Census, however the funding proportionally shifts to the 2020 Program from the GSS Program in support of the increased workload needed for the 2020 operations. The planned workload for the GSS contribution to the MAF Coverage Study remains constant from FY 2017 to FY 2018. To ensure that the base resources are fully funded, including the inflationary adjustments, research and change detection efforts are reduced in FY 2018.



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	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>Enterprise data collection and data collection systems</b>	137	\$57,056	+44	+\$9,109

FY 2018 is the fourth year of the CEDCaP initiative, a program funded jointly by the Enterprise Data Collection and Dissemination Systems and the 2020 Decennial Census programs. The FY 2018 request reflects a major decision made in FY 2016 to use a contractor-provisioned solution for several CEDCaP capabilities along with commercial software products and products developed by Census. CEDCaP works in concert with the 2020 program increase, which funds several of the systems that move the Bureau toward common enterprise solutions for data collection and processing functions. In FY 2018, the program will continue to finalize capabilities, including delivery of several capabilities into production to support the 2018 Decennial Census End-to-End test. These include the Centralized Operational Analysis and Control and Adaptive Design capability and the Survey Interview Operational Control Systems Production.

The FY 2018 request also consolidates funding for the Census Bureau's Data Access and Dissemination System (DADS), which houses the U.S. Census Bureau's American Fact Finder (AFF), with the Center for Enterprise Data Services and Consumer Information (CEDSCI). This funding was previously provided for in the 2020 Census line item. In FY 2018, the CEDSCI Program will continue to build and develop the Enterprise Data Dissemination Environment, whereby Census will transform and expand the dissemination of the Bureau's content and better serve its customers. In addition, the FY 2018 request for the Administrative Records Clearinghouse (Electronic Data Interface and Interchange (EDII)), provides policymakers access to powerful new insights and evidence for sound decision-making. In FY 2018, work will continue to progress on evidence building pilots involving veterans, manufacturing, employment, and student loans. EDII also will continue to prototype activities to acquire more data, improve infrastructure, and improve access.

# The 2020 Census: A New Design for the Twenty-First Century



## ESTABLISH WHERE TO COUNT

Identify all addresses  
where people could live

Conduct a 100-percent review  
and update of the nation's  
address list

Minimize in-field work  
with in-office updating

Use multiple data sources  
to identify areas with  
address changes

Get local government input



## MOTIVATE PEOPLE TO RESPOND

Conduct a nation-wide  
communications and  
partnership campaign

Work with trusted sources  
to increase participation

Maximize outreach using  
traditional and new media

Target advertisements to  
specific audiences



## COUNT THE POPULATION

Collect data from all  
households, including  
group and unique living  
arrangements

Make it easy for people to  
respond anytime, anywhere

Encourage people to use the  
online response option

Use the most cost-effective  
strategy to contact and  
count nonrespondents

Streamline in-field  
census-taking

Knock on doors only  
when necessary



## RELEASE CENSUS RESULTS

Process and provide  
Census data

Deliver apportionment counts  
to the President by  
December 31, 2020

Release counts for  
redistricting by April 1, 2021

Make it easier for the public  
to get information

## Performance Indicators

The following table shows the Census performance indicators and its related Departmental strategic goals and objectives. Additional details appear at the end of the Census section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Environment</b>				
<b>Objective 3.2: Build a Weather-Ready Nation</b>				
Number of webinars conducted and enhancements to the Census Bureau's on the Map for Emergency Management website	1) Two webinars or training showing emergency and city planners how to navigate OTM-EM; and 2) Two reviews of user feedback on enhancements to OTM-EM	Completed two webinars or training showing emergency and city planners how to navigate OTM-EM; and Completed two reviews of user feedback on enhancements to OTM-EM	N/A – This performance indicator is discontinued in FY 2017.	N/A – This performance indicator was discontinued in FY 2017.
<b>Goal: Data</b>				
<b>Objective 4.3: Create a data-driven government</b>				
Milestones met in increasing the cost efficiency of the 2020 Decennial Census	1) Conduct testing of self-response strategies; 2) Conduct one field test; 3) Prove in approach to field management processes and systems; 4) Select approaches for supporting non-English languages for the 2020 Census; 5) Conduct feasibility test of field operations; 6) Conduct testing of Group Quarters	1) Conducted testing of self-response strategies. 2) Conducted one field test: (field staff management and operations control). 3) Proved in approach to field management processes and systems. 4) Conducted research and testing for selecting approaches for supporting non - English languages for 2020 Census. 5) Conducted feasibility test of field operations. 6) Conducted testing of Group Quarters design.	1) Complete the 2016 address canvassing test; 2) Conduct a nationwide mail-out test of self-response 3) Begin building a partnership database in FY 2017 and begin planning of 2020 Census Integrated Communications	Conduct the 2018 Census End-to-End Test
Milestones met in developing Census IT enterprise to enhance collection, processing, and dissemination of data		New	1) Release CEDCaP capabilities for the 2017 Economic Census; 2) Release CEDCaP capabilities for the 2017 Census test (Decennial); 3) Release CEDCaP capabilities for the 2018 Address Canvassing End-to-End Test (Decennial)	1) Release CEDCaP capabilities for the 2017 Economic Census; 2) Release CEDCaP capabilities for the 2018 End-to-End Test (Decennial)
Percentage of key activities for cyclical census programs completed on time to support effective decision-making by policymakers, businesses and the public	90%	100%	90%	90%
Percentage of key data products for Census Bureau programs released on time to support effective decision-making of policymakers, businesses, and the public	1) 100% of Economic Indicators; 2) 90% of other key surveys	1) 100% of Economic Indicators; 2) 86% of other key surveys	1) 100% of Economic Indicators; 2) 90% of other key products	1) 100% of Economic Indicators; 2) 90% of other key products



## Economic and Statistical Analysis

The United States is widely recognized as the world's economic information leader. This is due, in large part, to the Economic and Statistical Analysis arm of the Department of Commerce (DOC), which provides timely economic analysis and disseminates national economic indicators as part of the Department's premiere statistical programs. The Under Secretary of Commerce for Economic Affairs and the Bureau of Economic Analysis coordinate on high-priority management, budget, employment, and risk management issues, ensuring that these tasks align with the priorities and requirements of the Department and other government entities.

**Under Secretary for Economic Affairs.** As part of the Office of the Secretary, the Under Secretary for Economic Affairs is a key advisor to the Secretary, Deputy Secretary, and other Government officials on matters related to economic policy.

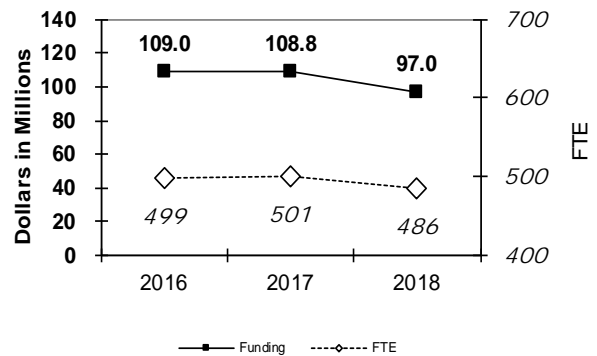
The Office of the Under Secretary is responsible for producing in-depth reports and analysis on changes in the economy and for developing options for economic policy positions. The Under Secretary participates in White House policy councils and in Administration economic policy forums and supports the Secretary's role on the Board of the Pension Benefit Guaranty Corporation.

**Bureau of Economic Analysis (BEA).** Although a relatively small agency, BEA produces some of the most closely watched and influential economic indicators, such as gross domestic product (GDP) and the trade balance, that directly affect decisions made by policy makers, business leaders, and the American public. BEA is an independent, principal Federal statistical agency that promotes a better understanding of the U.S. economy by providing timely, relevant, and accurate economic accounts data in an objective and cost-effective manner. BEA's national, industry, regional, and international economic accounts present valuable information on U.S. economic growth, regional economic development, inter-industry relationships, and the Nation's position in the world economy. Some of the widely used statistical measures produced by BEA include GDP, personal income and outlays, corporate profits, GDP by state and by metropolitan area, balance of payments, and GDP by industry. These statistics are used by Federal, state, and local governments for budget development and projections; by the Federal Reserve for monetary policy; by the business sector for planning and investment; and by the American public to follow and understand the performance of the Nation's economy. BEA's strategic vision is to remain the world's most respected producer of economic accounts. Plans for achieving this vision, including a detailed outline for improving the quality and accuracy of BEA's statistics, are described in the Bureau's strategic plan.

Generally, BEA produces national economic indicators that are a necessary component of the analysis produced by the Under Secretary of Commerce for Economic Affairs on socio-economic trends affecting policymakers, businesses, and the American Public.

In FY 2018, BEA continues to fulfill its mission to preserve the timeliness, relevance, and accuracy of economic statistics while taking necessary steps to reduce duplication, streamline operations, and realize budget efficiency.

**Budget Authority and FTE**  
(Excluding Census)



## Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$109,000	\$108,793	\$97,000	(\$11,793)
Total Appropriation / Budget Authority	109,000	108,793	97,000	(11,793)
<b>FTE</b>	499	501	486	(15)
<b>Permanent Positions</b>	508	522	494	(28)

## Highlights of Budget Changes

### Appropriation: Salaries and Expenses

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>501</b>	<b>\$108,793</b>
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Administration adjustment				
<b>Other Changes</b>				
2017 Pay raise		\$400		
2018 Pay raise		817		
Civil Service Retirement System (CSRS)		(112)		
Federal Employees' Retirement System (FERS)		155		
Thrift Savings Plan		24		
Federal Insurance Contributions Act (FICA) - OASDI		107		
Health insurance		19		
Employees' Compensation Fund		(47)		
Printing and reproduction		3		
NARA		(3)		
Other services:				
Working Capital Fund		(153)		
General Pricing Level Adjustments				
Transportation of things		5		
Communications, utilities, and miscellaneous charges		14		
Other services / Rental payments to others		708		
Supplies		30		
Equipment		13		
Subtotal, other changes			0	1,980
Total, Adjustments to Base			0	1,980
<b>2018 Base</b>			<b>501</b>	<b>110,773</b>
Program Changes			-15	-13,773
<b>2018 Appropriation</b>			<b>486</b>	<b>97,000</b>

**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>								
Bureau of Economic Analysis	486	\$104,926	486	\$106,906	486	\$97,000	0	(\$9,906)
Policy Support	15	3,867	15	3,867	0	0	(15)	(3,867)
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	501	108,793	501	110,773	486	97,000	(15)	(13,773)

**Highlights of Program Changes**

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b>Bureau of Economic Analysis</b>	486	\$109,906	0	-\$9,906

In identifying core initiatives to achieve budgetary savings, BEA programmatic reductions include efforts to separately measure the impact of small businesses on the U.S. economy. It also includes the incorporation of enhanced healthcare measures into the core GDP accounts, and trade in services data for dynamic industries of the U.S. economy, including R&D; intellectual property; and financial, health, and IT services. Careful consideration was given to those initiatives that could be reduced with minimal impact on BEA's core programs.

<b>Policy Support</b>	15	\$3,867	-15	-\$3,867
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For FY 2018, to reduce duplication, streamline operations, and realize budget efficiency, the Economics and Statistics Administration (ESA) will cease operations as a Bureau within the Department of Commerce. The ESA functions will be consolidated within the Office of the Secretary, BEA, and the Census Bureau. The Under Secretary for Economic Affairs, whose previous responsibilities included appointment as the Administrator of ESA, will serve directly from the Office of the Secretary and will remain a key advisor to the Secretary, Deputy Secretary, and other Government officials on matters related to economic policy, including White House policy councils and in Administration economic policy forums.

## Performance Indicators

The following table shows BEA's performance indicators and its related Departmental strategic goal and objective. Additional details appear at the end of the Economic and Statistical Analysis section of the Department of Commerce budget.

<u>Goal: Data</u>	2016		2017	2018
	Target	Actual	Target	Target
<b>Objective 4.2: Position the Department of Commerce to meet society's future data needs</b>				
Milestones met to explore and examine future economic data sources	Execute and monitor agreements	5 agreements	Evaluate effectiveness of agreements and extend/modify/cancel as appropriate	None
Milestones met to explore and examine future economic products and datasets	Execute POA&M	POA&M executed	Execute POA&M	None
Reliability of delivery of economic data (number of scheduled releases issued on time)	65	74	74	74
Customer satisfaction with quality of products and services (mean rating on a 5 point scale)	4.0	4.0	4.0	4.0
Percent of GDP estimates correct	83%	83%	85%	85%
Improvement of GDP and the economic accounts	Successful completion of Strategic Plan milestones	Completed all major milestones	Successful completion of Strategic Plan milestones	Successful completion of Strategic Plan milestones



# International Trade Administration

The mission of the International Trade Administration (ITA) is to create prosperity by strengthening the international competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements.

ITA accomplishes its mission through the integrated efforts of four organizational units and their mission priorities:

**Industry and Analysis:** Industry and Analysis (I&A) provides the expertise that drives effective trade policy, export promotion, and investment attraction strategies across the U.S. Government. I&A plays a unique role in the U.S. Government by:

- Convening U.S. industry to ensure that private-sector input underpins trade and investment policy;
- Providing expert economic analysis to ensure that international trade negotiations support U.S. exporters and American workers;
- Developing innovative sector-specific market intelligence that help U.S. exporters deploy resources more effectively, including the annual “Top Markets” series;
- Identifying and addressing non-tariff barriers that impact all exporting businesses and employing industry expertise and economic analysis to advocate for the removal of those barriers and level the playing field for U.S. business;
- Leading export promotion programs, like trade missions and trade shows that bring together U.S. exporters and foreign buyers and distributors of U.S. products and services; and,

**Enforcement and Compliance:** Enforcement and Compliance (E&C) takes prompt, aggressive action against unfair foreign trade practices and foreign-government imposed trade barriers by enforcing U.S. trade laws, monitoring and seeking compliance with existing trade agreements, and aiding in the negotiation of new trade agreements to address trade-impeding and trade-distorting practices. The E&C unit:

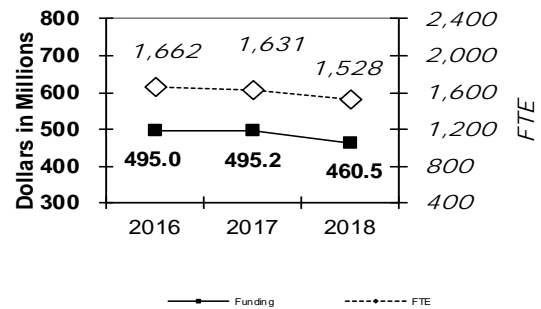
- Defends U.S. manufacturers, workers, and farmers against injurious dumped and unfairly subsidized imports by conducting investigations and reviews under the U.S. antidumping duty (AD) and countervailing duty (CVD) laws, and ordering the collection of duties to offset the unfair trading practices of foreign governments and exporters;
- Develops and executes other programs and policies designed to reduce the prevalence of market distortions in foreign government activities that can lead to unfair trade practices;
- Assists U.S. exporters and investors subject to foreign government trade and investment barriers by working to ensure foreign government compliance with international trade agreement obligations; and,
- Coordinates the representation of U.S. commercial interests in designated bilateral, multilateral, and regional trade and investment negotiations, in addition to overseeing the formulation and implementation of policies related to a wide range of trade agreement topics.

**Global Markets:** Global Markets (GM) works to provide a comprehensive suite of export promotion services and market access advocacy for U.S. firms, as well as promote investment in the United States through a network of regional experts, overseas and domestic field staff. The GM unit:

- Levels the international playing field for American exporters and workers;
- Seeks to remove market barriers and unfair trading practices, so small and medium-sized enterprises (SMEs) can compete in the global marketplace;
- Linking U.S. exporters to global opportunities and distribution channels, especially for SMEs; and,
- Attracting inward investment into the United States.

GM is integral to the U.S. Government’s interagency effort to develop and implement market access and compliance strategies to remove foreign trade barriers, enforce trade agreements, and promote U.S. business growth in global markets.

**Budget Authority and FTE**



**Executive Direction and Administration:** Executive Direction and Administration (ExAd) supports both enforcement and compliance with U.S. trade laws, and U.S. trade and investment expansion. ExAd does this through executive leadership; strategic planning to ensure efficient and effective execution and management of resources; and, the integration and coordination of policy and operations across ITA. ExAd directs information management and information technology strategy; provides development and maintenance services on the platforms that enable the ITA mission and management functions; and, ensures continuous operation and maintenance of the network infrastructure.

In FY 2018, ITA will strengthen trade enforcement and compliance including anti-dumping and countervailing duty investigations, while at the same time rescaling the agency's export promotion and trade analysis activities. To complement these efforts, ITA is developing and implementing plans to transform ITA operations to strengthen outcomes, improve efficiency, and meet trade and investment priorities. ITA's transformational actions will be rooted in maximizing the delivery of ITA's full value to clients, providing timely and actionable information and service to U.S. business (especially SMEs), eliminating or reducing lower-priority functions and activities, strengthening higher priority activities, and modernizing information management.

## Summary of Appropriations

<b>Appropriation</b>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations and Administration	\$483,000	\$482,188	\$442,500	(\$39,688)
<b>Total, Appropriation</b>	483,000	482,188	442,500	(39,688)
Transfer			5,000	5,000
Fee Collections	12,000	13,000	13,000	0
<b>Total, Budget Authority</b>	495,000	495,188	460,500	(34,688)
<b>FTE</b>	1,662	1,631	1,528	(103)
<b>Permanent Positions</b>	1,831	1,831	1,672	(159)

## Highlights of Budget Changes

### Appropriation: Operations and Administration

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>1,631</b>	<b>\$482,188</b>
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Meet IT Cybersecurity Mandates				1,000
<b>Other Changes</b>				
FY 2017 Pay raise		\$1,163		
FY 2018 Pay raise		2,829		
Implementation of Locally Engaged Staff (LES) Wage Thaw		1,530		
Merit Based Compensation plans for Locally Engaged Staff (LES)		762		
Full year cost in 2018 of positions financed for part year in 2017	32			
Civil Service Retirement System(CSRS)		(112)		
Federal Employees' Retirement System(FERS)		214		
Thrift Savings Plan		32		
Federal Insurance Contributions Act (FICA) - OASDI		172		
Health insurance		410		
Federal Employee's Compensation Act		18		
Travel - Domestic per diem		24		
Travel - Foreign per diem		95		
Travel - Mileage		(2)		
Rent payments to GSA		368		
Postage		1		
Printing and reproduction		30		
NARA		(6)		
Other services:				
Working Capital Fund		(1,311)		
Commerce Business System		34		
Capital Security Cost Sharing Program		(3,523)		
International Cooperative Admin. Support Services (ICASS)		579		
Non ICASS local guard service		27		
Military pouch		16		
General Pricing Level Adjustment:				
Transportation of things		72		
Rental payments to others		9		
Communications, utilities, and miscellaneous charges		930		
Other Services		3		
Supplies		55		
Equipment		128		
Overseas price increases		410		
Subtotal, other changes			32	4,957
Total, Adjustments to Base			32	5,957
<b>2018 Base</b>			<b>1,663</b>	<b>488,145</b>
Program Changes			-135	-45,645
<b>2018 APPROPRIATION</b>			<b>1,528</b>	<b>442,500</b>

**Comparison by Activity**

<b>APPROPRIATION</b>	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Industry and Analysis	203	\$56,158	203	\$57,075	185	\$49,652	(18)	(\$7,423)
Enforcement and Compliance	303	78,863	335	80,131	357	88,500	22	8,369
Global Markets	1,030	323,884	1,030	327,283	894	278,797	(136)	(48,486)
Executive Direction / Administration	95	23,283	95	23,656	92	20,551	(3)	(3,105)
Survey of International Air Travelers	0	0	0	0	0	5,000	0	5,000
<b>TOTAL APPROPRIATION</b>	<b>1,631</b>	<b>482,188</b>	<b>1,663</b>	<b>488,145</b>	<b>1,528</b>	<b>442,500</b>	<b>(135)</b>	<b>(45,645)</b>
Fees Collections		13,000		13,000		13,000	0	0
Less Transfers from other Accounts	0	0	0	0	0	5,000	0	5,000
<b>TOTAL BUDGET AUTHORITY</b>	<b>1,631</b>	<b>495,188</b>	<b>1,663</b>	<b>501,145</b>	<b>1,528</b>	<b>460,500</b>	<b>(135)</b>	<b>(40,645)</b>

**Highlights of Program Changes**

<b>Industry and Analysis (I&amp;A)</b>	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	203	\$57,075	-18	-\$7,423

ITA requests a decrease of \$7.4 million and 18 FTE in FY 2018 to reflect the rescaling of export promotion and trade analysis efforts in support of budgetary priorities. Specifically, I&A will streamline offices and functions to improve operational and organizational efficiency; eliminate the Market Development Cooperator Program (MDCP), a cooperative grant program; and, eliminate appropriated funding for the Survey of International Air Travelers (SIAT).

<b>Global Markets (GM)</b>	1,030	\$327,283	-136	-\$43,486
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ITA requests a decrease of \$43.5 million and 136 FTE to reflect rescaling of export promotion and trade analysis efforts in support of budgetary priorities. Specifically, ITA will close an estimated 35 international posts and an estimated 10 U.S. Export Assistance Centers (USEACs), while also reducing headquarters staff. GM will eliminate over 230 positions including General Schedule in headquarters and the domestic field, locally-employed staff and Commercial Service Officers. GM will reduce spending in satellite locations in countries and U.S. states with more than one office.

<b>Enforcement and Compliance (E&amp;C)</b>	335	\$80,131	+22	+\$8,369
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ITA requests an increase of 22 FTE and \$8.4 million to establish a dedicated team to develop factual information and legal justification to self-initiate U.S. antidumping duty (AD) and countervailing duty (CVD) investigations, and to continue support for E&C's ability to investigate and address AD/CVD unfair trade allegations. Of the requested increase, \$3.9 million will be used to fully-fund AD/CVD staff hired in FY 2016 and FY 2017, to keep up with case workload, meet statutory deadlines, and ensure case resolution quality.

<b>Executive Direction / Administration (ExAd)</b>	95	\$23,656	-3	-\$3,105
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ITA requests a decrease of \$3.1 million and 3 FTE in FY 2018 to support budget priorities. Specifically, ITA will eliminate an estimated 14 positions within ExAd commensurate with the rescaling of ITA operations.

<b>Survey of International Travelers</b>	0	\$0	0	+\$5,000
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ITA is requesting an increase of \$5.0 million to reflect a transfer of Trade Promotion Act fee revenue from the Department of Homeland Security, U.S. Customs and Border Protection, to administer the Survey of International Air Travelers (SIAT). The SIAT provides data used by existing tourism marketing organizations to encourage increased travel and tourism to the United States.

## Performance Indicators

The following table shows the ITA performance indicators and the related Departmental strategic goal and objectives. Additional details appear at the end of the ITA section of the Department of Commerce budget.

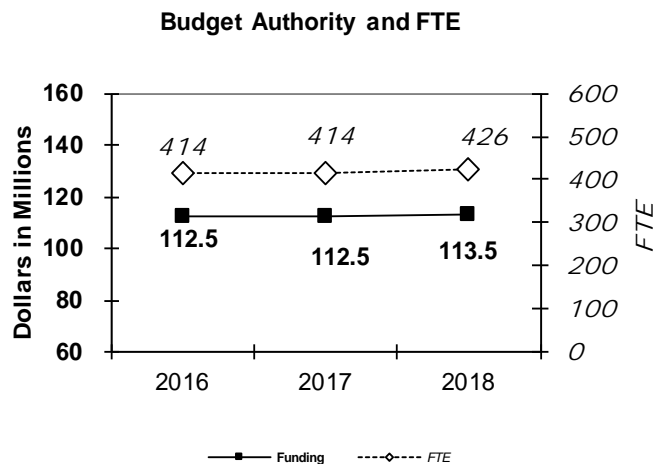
	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Trade and Investment</b>				
<b>Objective 1.1: Increase opportunities for U.S. companies by opening markets globally</b>				
Number of foreign trade barriers removed, reduced or avoided	75	110	80	78
Number of commercial diplomacy / advocacy wins	300	472	330	300
Export impact of prevention, reduction or removal of trade barriers – Dollars of exports created or retained (millions)	\$1,650	\$4,200	\$1,800	\$1,800
Dollar exports generated from Export Trading Companies (billions)	\$23.5	\$22.4	\$24.0	\$24.0
<b>Objective 1.2: Increase U.S. exports by broadening and deepening the U.S. exporter base</b>				
Exports generated annually from public-private partnerships (millions)	\$210	\$371	\$179	\$168
Percentage of clients highly likely to recommend GM assistance	81%	86%	82%	83%
Number of clients assisted by GM	22,300	28,692	28,000	22,000
Percentage of Global Markets clients that achieved their export objectives	73%	78%	73%	74%
<b>Objective 1.3: Increase high-impact inward foreign direct investment in the United States</b>				
Number of investment clients assisted	1,760	6,072	2,400	2,600
<b>Objective 1.4: Strengthen fair competition in international trade for U.S. firms and workers by addressing and resolving foreign unfair trade practices and enforcing international trade agreements.</b>				
Percentage of Compliance and Market Access cases initiated that are reviewed for Agreement Relevancy within the established time frame	90%	100%	90%	90%
Percent of antidumping duty (AD) and countervailing duty (CVD) determinations issued within statutory and/or regulatory deadlines	91%	95%	91%	91%
Percent of antidumping and countervailing duty cash deposit and liquidation instructions issued accurately to U.S. Customs & Border Protection (CBP)	86%	99%	86%	86%
Percent of antidumping and countervailing duty cash deposit and liquidation instructions issued timely to U.S. Customs & Border Protection (CBP)	88%	93%	88%	88%
Number of trade agreement compliance cases resolved successfully	33	33	34	35
Number of AD/CVD petition counseling sessions	259	655	298	298



## Bureau of Industry and Security

The Bureau of Industry and Security (BIS) addresses the challenges found where business and security intersect. Its mission is to advance U.S. national security, foreign policy, and economic interests by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership.

BIS's activities include strengthening, streamlining, and managing the U.S. export control system for dual-use items with chiefly commercial uses that can also be used in conventional arms, weapons of mass destruction, terrorist activities, or human rights abuses; less sensitive military items transferred from the Department of State under the President's Export Control Reform initiative; most commercial satellite and spacecraft items; and certain crude oil and timber. The BIS export administration and enforcement programs are more than just issuing licenses, conducting inspections and performing end use checks. BIS's activities also include investigating and prosecuting violations of those controls, as well as of the anti-boycott and public safety laws; engaging in international activities to combat proliferation and illicit transshipments; working with industry to comply with international arms control agreements and to enhance the U.S. defense industrial base; and analyzing certain imports and foreign acquisitions that affect U.S. security.



The 2018 President's budget request reflects the commitment to the national security initiatives outlined by this administration. Over the last few years, BIS faced significant increases in the bureau's workload with the transferring of tens of thousands of items from the Department of State's U.S. Munitions List (USML) to the Commerce's Control List (CCL). In addition, the growing U.S. economy, changes in foreign policy, and other external factors have led to an increasing number of exporters within BIS's regulatory scope who are in new industries, exploring emerging markets, and exporting to new geographic destinations. Recognizing that there are still significant budget constraints in the current federal environment, it is still essential that the BIS programs maintain the in-house expertise, tools and other resources necessary to keep pace with the on-going advances being incorporated into the technology industries. Each day emerging technologies are being introduced into the market. Protecting the technological advances developed by the U.S. ultimately influences the effectiveness of the military in the front lines of combat, intelligence organizations in the fight against terrorism and numerous law enforcement organizations across the country.

The FY 2018 President's budget provides an increase of \$1 million to ensure that BIS will continue its efforts to address the ever increasing challenges that our nation faces as we protect U.S. national security and economic interests.

In FY 2016, BIS ensured a credible deterrence and sought appropriate penalties to address export violations which led to \$274,500 in criminal fines, over \$23 million in administrative penalties, and 883 months of imprisonment. Additionally, BIS completed four Anti-boycott cases with administrative fines of \$268,000. In March of 2017, BIS Office of Export Enforcement OEE announced a combined criminal fine/forfeiture and civil fine of over \$1.19 Billion on a Chinese telecommunications company (ZTE Corp). The fine will be the largest civil penalty ever levied by BIS and the largest criminal penalty ever levied by the U.S. government in an export control-National Security case.

In FY 2016, EA processed 32,811 export license applications for transactions in an average of 23 days. This marked a 28% increase from the 25,581 applications processed in FY 2013, the year prior to Export Control Reform became effective. During this same time period, U.S. exports of sensitive items controlled by EA increased 22% from \$171 to \$208 billion despite the decontrol of high-valued crude oil at the end of FY15. Additionally, BIS completed 789 enforcement License Determination LDs for BIS's Office of Export Enforcement in an average of 26 days in FY 2016. EA also collaborated with other federal agencies completing 1,285 LDs for the Federal Bureau of Investigation and the Department of Homeland Security in an average of 11 days in support of investigations of potential unlawful exports.

## Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase/ Decrease
Operations and Administration	\$112,500	\$112,500	\$113,500	\$1,000
<b>TOTAL, Budget Authority / Appropriation</b>	112,500	112,500	113,500	1,000
<b>FTE</b>	414	414	426	12
<b>Permanent Positions</b>	433	433	450	17

## Highlights of Budget Changes

### Appropriation: Operations and Administration

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>414</b>	<b>\$112,500</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$248		
2018 Pay raise		824		
Civil Service Retirement System (CSRS)		(63)		
Federal Employees' Retirement System (FERS)		75		
Thrift Savings Plan		12		
Federal Insurance Contributions Act (FICA/OASDI)		49		
Health insurance		245		
Employee Compensation Fund		(33)		
Travel - Mileage		(16)		
Rent payments to GSA		143		
Printing and reproduction		1		
NARA		(23)		
Working Capital Fund		(500)		
Fuel		136		
General Pricing Level Adjustment				
Transportation of things		3		
Other services		485		
Supplies		39		
Equipment		38		
Subtotal, other changes			0	1,663
<b>Total, Adjustments to Base</b>			<b>0</b>	<b>1,663</b>
<b>2018 Base</b>			<b>414</b>	<b>114,163</b>
Program Changes			12	-663
<b>2018 Appropriation</b>			<b>426</b>	<b>113,500</b>



**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
Management & Policy Coordination	11	\$6,001	11	\$6,077	11	\$5,845	0	(\$232)
Export Administration	214	58,602	214	59,594	213	56,866	(1)	(2,728)
Export Enforcement	189	47,897	189	48,492	202	50,789	13	2,297
<b>TOTAL BUDGET AUTHORITY /</b>	<b>414</b>	<b>112,500</b>	<b>414</b>	<b>114,163</b>	<b>426</b>	<b>113,500</b>	<b>12</b>	<b>(663)</b>
<b>APPROPRIATION</b>								

**Highlights of Program Changes**

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>Export Enforcement (EE)</b>	189	\$48,867	+14	+\$3,803

BIS's Office of Export Enforcement (OEE) is an elite law enforcement organization recognized for its expertise, professionalism, integrity, and accomplishments. OEE accomplishes its mission through preventative and investigative enforcement activities and then, pursuing appropriate criminal and administrative sanctions against export violators. OEE investigations result in criminal sanctions for violations, including incarceration and fines. Ultimately it is the Special Agents on the front lines that are challenged with assisting legitimate export traders to comply with export control and anti-boycott requirements, preventing violations before they occur, and bringing willful export control violators to justice. Therefore, BIS is requesting additional agents to be strategically placed throughout the continental United States to assist in this effort.

BIS has identified areas that are high in export activity along with increased numbers of leads to possible export violations which BIS is not able to investigate. Everything from unwitting exporters shipping to unreliable recipients to sophisticated illicit diversion networks are increasing nationwide as the amount of exports grows. Since BIS agents cannot be everywhere, the Bureau has identifying hotspots comprised of concentrations of exporters of sensitive items. Currently, in order to reach many of these locations, Special Agents in Charge report they are constantly sending special agents on temporary duty to conduct investigations but the number of leads and investigations continues to grow. In all of these locations, OEE has been asked by other federal agencies (FBI, HSI, and the DoD investigative agencies) to assign one or more special agent(s) to their locale to help work an ever increasing number of export cases. BIS/OEE has identified areas that are high in export activity along with increased numbers of leads to possible export violations which we are not able to investigate.

**Program Offsets**

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>Management and Policy Coordination (MPC)</b>	11	\$6,077	0	-\$232
<b>Export Administration (EA)</b>	214	\$59,594	-1	-\$2,728
<b>Export Enforcement (EE)</b>	189	\$48,867	-1	-\$1,506

BIS has strived to achieve greater efficiency and saving throughout the bureau. BIS leadership has conducted preliminary reviews with a vision of a more expansive evaluation on the horizon. To date programs identified offsets that allow BIS to reallocate \$4.8 million dollars in FY 2018 to areas that will enhance BIS's ability to advance U.S. national security, foreign policy, and economic objectives. BIS has realized these savings by incorporating strategic sourcing into the acquisition plan, reallocation of human capital, reducing duplicative activities, transferring IT to new more efficient capabilities that cost less.

## Performance Indicators

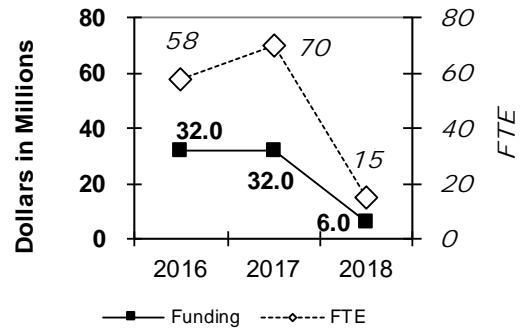
The table below shows the BIS performance indicators and the related Departmental strategic goal and objective. Additional details appear at the end of the BIS section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Trade and Investment</b>				
<b>Objective 1.2: Increase U.S. exports</b>				
Number of exporters educated and trained through outreach activities related to Export Control Reform	48,000	46,633	48,000	48,000
Percent of licenses requiring interagency referral referred within nine days	98%	92%	98%	98%
Percent of attendees rating seminars highly	93%	93%	93%	93%
Number of actions that result in a deterrence or prevention of a violation and cases which result in a criminal and/or administrative charge	1,000	1,717	850	1,200
Number of End-Use Checks (EUCs) completed	850	985	850	850
Percent of licenses requiring ITU report referred by EE within ten Executive Order (EO) days	90%	93%	90%	90%
Median processing time for new regime regulations (months)	2	3	2	2
Percent of declarations received from U.S. industry in accordance with Chemical Weapons Convention (CWC) time lines that are processed in time for the U.S. to meet treaty obligations	100%	100%	100%	100%
Number of export transactions completed under the new authority of Commerce export licenses and license exceptions	100,000	144,888	150,000	150,000
Percent of electronic export transactions reported in the Automated Export System (AES) in compliance with the Export Administration Regulations (EAR)	99%	99%	99%	99%
Percent of defense industrial base assessments completed within the time frame set forth in the Memorandum of Understanding (MOU) between the BIS and the survey sponsoring agency or entity.	100%	100%	100%	100%
Number of export control reform rules issued	4	6	Discontinued	N/A
Number of post-shipment verifications completed	315	325	Discontinued	N/A

# Minority Business Development Agency

The mission of the Minority Business Development Agency (MBDA) was to promote the growth of minority owned businesses through the mobilization and advancement of public and private sector programs, policy, and research. MBDA accomplished this mission by funding a network of centers that provide Minority Business Enterprises (MBEs) a variety of business assistance services. Through its direct federal client services and its network of funded centers, MBDA: (1) fostered the expansion of opportunities for minority-owned businesses in the global marketplace; (2) identified sources of financial capital for minority-owned firms; (3) developed and upgraded electronic tools to provide access to growth markets through automated matching of MBEs to public and private sector opportunities; (4) provided management and technical assistance to minority-owned businesses; and (5) advocated for the increased use of electronic commerce and new technologies by MBEs.

**Budget Authority and FTE**



In FY 2018, the Administration proposes to eliminate the Minority Business Development Agency, which is duplicative of other Federal, State, local, and private sector efforts that promote minority business entrepreneurship including Small Business Administration District Offices and Small Business Development Centers.

## Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Minority Business Development	\$32,000	\$32,000	\$6,000	(\$26,000)
<b>Total Appropriation / Budget Authority</b>	<b>32,000</b>	<b>32,000</b>	<b>6,000</b>	<b>(26,000)</b>
<b>FTE</b>	<b>58</b>	<b>70</b>	<b>15</b>	<b>(55)</b>
<b>Permanent Positions</b>	<b>70</b>	<b>70</b>	<b>50</b>	<b>(20)</b>

## Highlights of Budget Changes

### Appropriation: Minority Business Development

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>70</b>	<b>\$32,000</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$25		
2018 Pay raise		110		
Federal Employees Retirement System (FERS)		12		
Federal Insurance Contributions Act (FICA) - OASDI		4		
Health insurance		(13)		
Workers' Compensation		13		
Rent payments to GSA		29		
General Pricing Level Adjustments				
Transportation of things		1		
Rental of equipment		1		
Communications, utilities and misc.Rental payments to others		1		
Other services		213		
Supplies		2		
Equipment		1		
Subtotal, other changes			0	399
Total, Adjustments to Base			0	399
<b>2018 Base</b>			<b>70</b>	<b>32,399</b>
Program Changes			-55	-26,399
<b>2018 APPROPRIATION</b>			<b>15</b>	<b>6,000</b>

#### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
Minority Business Development	70	\$32,000	70	\$32,399	15	\$6,000	(55)	(\$26,399)
<b>TOTAL BUDGET AUTHORITY/ APPROPRIATION</b>	70	32,000	70	32,399	15	6,000	(55)	(\$26,399)

#### Highlights or Program Changes

<b><u>Agency Elimination</u></b>	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	70	\$32,399	-55	-\$26,399

MBDA requests a program change of -\$26.4 million and -55 FTE, leaving \$6.00 million to cover the anticipated costs associated with winding down the agency. The President's Budget assumes that the orderly closure of the agency will begin in FY 2018. The requested amount will cover the following costs:

- Personnel costs, including severance payments, leave payouts, salaries for essential personnel during the shutdown, human resources support for conducting the shutdown, associated overhead costs, and any legal costs.
- Miscellaneous costs associated with shutting down the agency, including records management and NARA, responsible disposal of IT equipment, and other miscellaneous costs required for the orderly shutdown of the agency.

## Performance Indicators

The following table shows the MBDA performance indicators and its related Departmental strategic goals and objectives. Additional details appear at the end of the MBDA section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target

**Goal: Trade and Investment**

**Objective 1.2: Increase U.S. exports**

Dollars leveraged through contract and financing awards by minority business export activity	143	667	143	n/a
Number of jobs created or retained through minority business export activity	1,000	479	1,000	n/a

**Goal: Innovation**

**Objective 2.3: Catalyze Innovation Ecosystems**

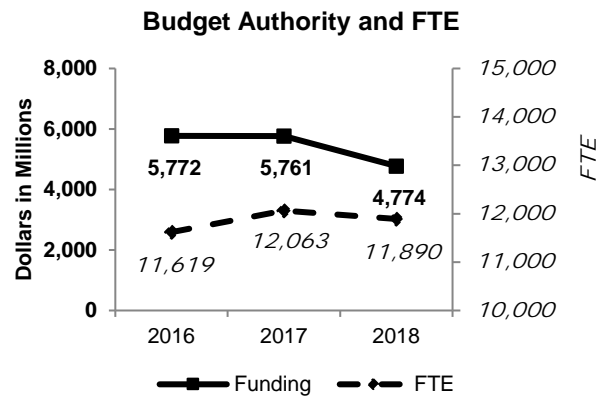
Dollars leveraged (contracts and financing) for minority businesses (not including those dollars associated with exports)	481	70	481	n/a
Number of jobs created or retained for minority businesses (not including those jobs associated with exports)	325	535	325	n/a



## National Oceanic and Atmospheric Administration

The mission of the National Oceanic and Atmospheric Administration (NOAA) is to provide daily weather forecasts, severe storm warnings, climate monitoring to fisheries management, coastal restoration, and the supporting of marine commerce. NOAA's products and services support economic vitality and affect more than one-third of America's gross domestic product. NOAA's dedicated scientists use cutting-edge research and high-tech instrumentation to provide citizens, planners, emergency managers and other decision makers with reliable information they need when they need it.

NOAA accomplishes this mission through two primary accounts, Operations, Research and Facilities (ORF) and Procurement, Acquisition and Construction (PAC) and several lesser accounts, noted at the end of this section: ORF and PAC make up over 98 percent of the total FY 2018 NOAA Budget. In FY 2018, NOAA requests a total of \$3,147.2 million for ORF and \$1,819.5 million for PAC. ORF and PAC consist of the following seven activities and their corresponding mission priorities:



**National Ocean Service (NOS):** The NOS is preparing for a future of higher intensity coastal storms, increased demands on the marine transportation system, rapid changes in climate and marine ecology, and expanding offshore and coastal development. NOS observes, measures, assesses, and manages the Nation's coastal, ocean and Great Lakes resources; protects marine and coastal areas; provides critical navigation products and services (e.g., real time observations, nautical charts); and prepares for and responds to natural disasters and emergencies. The benefits of NOS' products and services include increased coastal economic activity, resilient coastal communities, and enhanced ecosystem services. The FY 2018 Budget requests \$414.8 million for NOS (across all appropriations).

**National Marine Fisheries Service (NMFS):** NMFS uses sound science and an ecosystem-based approach to management to support productive and sustainable fisheries; safe sources of seafood; the recovery and conservation of protected species; and healthy ecosystems. NMFS manages 474 marine and anadromous fish stocks within the U.S. Exclusive Economic Zone (EEZ) as well as invertebrates, sea turtles, marine mammals, and other marine and coastal species and their habitats. The FY 2018 Budget requests \$845.1 million for NMFS (across all appropriations).

**Oceanic and Atmospheric Research (OAR):** OAR seeks to improve the understanding of changes in the Earth's environment. OAR's science enables NOAA to fulfill its diverse mission, both today and into the future. OAR supports laboratories and programs across the United States and collaborates with external partners. OAR research contributes to accurate weather forecasts, enables communities to plan for and respond to climate events such as drought, and enhances the protection and management of the Nation's coastal and ocean resources. The FY 2018 Budget requests \$350.0 million for OAR.

**National Weather Service (NWS):** The NWS provides weather, water, and climate forecasts and warnings for the protection of life and property and enhancement of the national economy. NWS is the official and authoritative U.S. voice for issuing warnings during life-threatening weather situations. NWS forecasters issue public, aviation, marine, fire weather, climate, space weather, river and flood forecasts and warnings every day. Each year, NWS collects approximately 76 billion observations and issues approximately 1.5 million forecasts and 50,000 warnings. NWS data and products are publicly available through a national information database. The FY 2018 Budget requests \$1,058.1 million for NWS.

**National Environmental Satellite, Data, and Information Service (NESDIS):** The NESDIS provides timely access to global environmental data from satellites and other sources to promote, protect and enhance the Nation's economy, security, environment and quality of life. NESDIS launches and operates NOAA's satellites, and manages the product development and distribution of the corresponding data. NOAA satellites support the weather forecasting enterprise by providing the timely, high quality data upon which model outputs are based. While providing real-time operations and data services, NESDIS also develops the next generation of satellites in order to continue meeting its primary mission essential functions without incurring gaps in coverage. The FY 2018 Budget requests \$1,815.2 million for NESDIS.

**Mission Support (MS):** Mission Support services provide the planning, administrative, financial, procurement, information technology, human resources, acquisitions and grants, and infrastructure services that are essential to safe, timely, and effective execution of the NOAA mission. NOAA Mission Services and Management and Executive Leadership provide centralized executive management, as well as policy formulation and direction, to all of NOAA's Staff and Line Offices. The NOAA Facility Program is the focal point for facility planning, project planning formulation and development, and project management oversight to support critical NOAA mission requirements. The FY 2018 Budget requests \$234.3 million for MS.

**Office of Marine and Aviation Operations (OMAO):** OMAO supports an array of specialized ships and aircraft that play a critical role in the in-situ collection of oceanographic, atmospheric, hydrographic, and fisheries data in support of NOAA's environmental and scientific missions. OMAO also administers the NOAA-wide Diving Program and Small Boat Program and is composed of civilians and the NOAA Commissioned Corps uniformed officers. The FY 2018 Budget requests \$331.7 million for OMAO.

### **Other NOAA Accounts**

**The Pacific Coastal Salmon Recovery Fund** finances state, tribal and local conservation initiatives to help recover threatened and endangered Pacific salmon populations. The FY 2018 Budget includes \$0 funding for this program.

NOAA uses the **Fishermen's Contingency Fund** to compensate domestic fishermen for the damage or loss of fishing gear and resulting economic loss due to obstructions related to oil and gas exploration, development, and production in the Outer Continental Shelf. The funds come from fees collected annually by the Secretary of the Interior from the holders of leases, explorations, permits, easements, and rights of way. The FY 2018 Budget includes \$349,000 for this Fund.

The **Foreign Fishing Observer Fund** provides observer coverage of foreign fishing activities within the 200-mile U.S. EEZ using fees collected from owners and operators of foreign fishing vessels.

The **Fisheries Finance Program Account** promotes building sustainable fisheries by providing long-term, fixed-rate financing to U.S. citizens who otherwise qualify for financing or refinancing. Types of activities for financing include the construction, reconstruction, reconditioning, and, in some cases, the purchasing of fishing vessels, shoreside processing, aquaculture, mariculture facilities, and the purchase of individual fishing quota (IFQ).

The **Promote and Develop American Fishery Products & Research Pertaining to American Fisheries Fund** is derived from a transfer of thirty percent of duties on imported fisheries products from the Department of Agriculture. Funds from this account are transferred to offset some of the costs of fisheries research and management in the ORF account. The FY 2018 Budget transfers \$154 million in P&D funds to ORF and eliminates funding for the S-K Grant Program.

The **Damage Assessment and Restoration Revolving Fund (DARRF)** receives proceeds from claims against responsible parties, as determined through court settlements or agreements, for damages to natural resources for which NOAA serves as trustee. NOAA uses the funds to respond to hazardous materials spills in the coastal and marine environments by conducting damage assessments, providing scientific support during litigation, and using recovered damages to restore injured resources.

The **Federal Ship Financing Fund** manages the loan guarantee portfolio that existed prior to the enactment of the Federal Credit Reform Act of 1990.

The **Limited Access System Administration Fund (LASAF)** uses fees to recover the incremental costs of management, data collection, and enforcement of Limited Access Privilege Programs. NOAA deposits these fees into the LASAF and are not to exceed 3 percent of the ex-vessel value of fish harvested under any such program. A Regional Council can consider, and may provide, a program to collect royalties for the initial or any subsequent distribution of allocations; revenues from these royalties are deposited in the LASAF. The LASAF shall be available, without appropriation or fiscal year limitation, only for the purposes of administering the central registry system; and administering and implementing the Magnuson-Stevens Act in the fishery in which the fees were collected.

The **Environmental Improvement and Restoration Fund** provides grants to Federal, state, private, or foreign organizations or individuals to conduct research activities on or relating to the fisheries or marine ecosystems in the North Pacific Ocean, Bering Sea, and Arctic Ocean.



**Marine Mammal Unusual Mortality Event Fund** provides funds to support investigations and responses to unusual marine mammal mortality events.

**Medicare-Eligible Retiree Healthcare Fund** finances the cost of TRICARE retirement health care benefits accrued by the active duty members of the NOAA Commissioned Corps. The Ronald W. Reagan National Defense Authorization Act for 2005 (P.L. 108-375) provided permanent, indefinite appropriations to finance these costs for all uniformed service members. In the FY 2018 President's Budget, DoD will propose additional TRICARE consolidation and modernization initiatives. Those proposals would restore FY 2017 benefit change grand-fathering guidelines, increase co-pays for pharmaceuticals, and index future fees to National Health Expenditures vice COLA. If enacted, DoD's legislative proposal would apply to the NOAA Corps but has negligible budget impact on NOAA.

**NOAA Corps Commissioned Officers Retirement** provides a measure of financial security after release from active duty for uniform service members and their survivors. It is an important factor in the choice of a career in the uniformed services and is mandated by Federal statutes under Title 10, United States Code. NOAA transfers retirement pay funds to the Coast Guard, which handles the payment function for retirees and annuitants. Health care funds for non-Medicare-eligible retirees, dependents, and annuitants are transferred to the U.S. Public Health Service, which administers the health care program.

The **Western Pacific Sustainable Fisheries Fund** can only be used to support the conservation and management objectives under a marine conservation plan developed for the region by the appropriate governor and the Western Pacific Regional Fishery Management Council. This fund receives amounts from any permit payment received for foreign fishing and fines and penalties from violations within the U.S. EEZ around Johnston Atoll, Kingman Reef, Palmyra Atoll, and Jarvis, Howland, Baker and Wake Islands.

The **Fisheries Enforcement Asset Forfeiture Fund** allows the Secretary of Commerce to pay certain enforcement-related expenses from fines, penalties, and forfeiture proceeds received for violations of the Magnuson-Stevens Act, or of any other marine resource law enforced by the Secretary. NOAA deposits fines, penalties, and forfeiture proceeds into this Fund, and subsequently uses them to pay for enforcement-related expenses.

The **Sanctuaries Enforcement Asset Forfeiture Fund** receives proceeds from civil penalties and forfeiture claims against responsible parties, as determined through court settlements or agreements, for violations of NOAA sanctuary regulations. NOAA holds these amounts in sanctuary site-specific accounts from year to year and spends them on resource protection within the sanctuary site where the penalty or forfeiture occurred. These actions may include all aspects of law enforcement (from equipment to labor), community oriented policing programs, and other resource protection and management measures such as the installation of mooring buoys or restoration of injured resources.

The **North Pacific Observer Fund** provides observer coverage for the North Pacific Groundfish Observer Program (NPGOP). This observer program places all vessels and processors in the groundfish and halibut fisheries off Alaska into one of two observer coverage categories: (1) a full coverage category, and (2) a partial coverage category. NOAA collects fees and uses them to pay for observer coverage on vessels and processors in the partial coverage category in the following year.

The **Gulf Coast Ecosystem Restoration Science, Observation, Monitoring and Technology Fund** provides funding for the NOAA RESTORE Act Science Program. This program initiates and sustains an integrative, holistic understanding of the Gulf of Mexico ecosystem and support, to the maximum extent practicable, restoration efforts and the long-term sustainability of the ecosystem, including its fish stocks, fishing industries, habitat, and wildlife through ecosystem research, observation, monitoring, and technology development.

In FY 2018, NOAA requests \$4,775.3 million in total discretionary appropriations and \$53.3 million in mandatory appropriations.

## Summary of FTE

	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations, Research & Facilities (ORF)	10,709	11,108	11,044	(64)
ORF Reimbursable	547	600	450	(150)
Procurement, Acquisition & Construction (PAC)	283	294	340	46
Promote & Develop American Fishery Products	3	3	0	(3)
Pacific Coastal Salmon Recovery Fund	2	2	0	(2)
National Oceans and Coastal Security Fund	0	0	0	0
Limited Access System Administration Fund	40	40	40	0
Damage Assessment & Restoration Revolving Fund	34	15	15	0
Gulf Coast Ecosystem Restoration Fund Appropriation	1	1	1	0
<b>TOTAL</b>	11,619	12,063	11,890	(173)

## Summary of Permanent Positions

	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations, Research & Facilities (ORF)	10,805	11,680	11,924	244
ORF Reimbursable	554	600	450	(150)
Procurement, Acquisition & Construction (PAC)	286	309	341	32
Promote & Develop American Fishery Products	0	0	0	0
Pacific Coastal Salmon Recovery Fund	2	2	2	0
National Oceans and Coastal Security Fund	0	0	0	0
Limited Access System Administration Fund	40	40	40	0
Damage Assessment & Restoration Revolving Fund	34	15	15	0
Gulf Coast Ecosystem Restoration Fund Appropriation	1	1	1	0
<b>TOTAL</b>	11,722	12,647	12,773	126

## Summary of Appropriations

(Dollars in Thousands)

<b>Appropriation</b>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations, Research & Facilities (ORF)	\$3,305,813	\$3,299,281	\$2,965,549	(\$333,732)
Procurement, Acquisition & Construction (PAC)	2,400,416	2,395,856	1,807,801	(588,055)
Fishermen's Contingency Fund	350	349	349	0
Fisheries Finance Program Account	0	0	0	0
Pacific Coastal Salmon Recovery	65,000	64,876	0	(64,876)
Marine Mammal Unusual Mortality Event Fund	0	0	0	0
Medicare-Eligible Retiree Healthcare Fund	1,936	1,936	1,603	(333)
<b>Total, Appropriation</b>	<b>5,773,515</b>	<b>5,762,298</b>	<b>4,775,302</b>	<b>(986,996)</b>
<b>Transfers / Other:</b>				
ORF: FROM PAC	3,657	0	0	0
ORF: FROM: Promote & Develop Fishery Products*	130,164	130,164	154,199	24,035
PAC: TO OIG	(1,302)	(1,302)	(1,302)	0
PAC: TO ORF	(3,657)	0	0	0
P&D: TO: ORF	(130,164)	(130,164)	(154,199)	(24,035)
P&D: FROM: Department of Agriculture (mandatory funds)	145,811	145,175	154,869	9,694
P&D: Previously unavailable and temporarily reduced	578	(102)	(670)	(568)
Subtotal, P&D	16,225	14,909	0	(14,909)
<b>Total, Transfers</b>	<b>145,087</b>	<b>143,771</b>	<b>152,897</b>	<b>9,126</b>
<b>Mandatory Accounts</b>				
Damage Assessment & Restoration Revolving Fund	12,437	5,962	5,968	6
Fisheries Finance Program Account	11,819	30,764	0	(30,764)
Environmental Improvement and Restoration Fund	8,118	6,451	1,869	(4,582)
Federal Ship Financing Fund	0	0	0	0
Foreign Fishing Observer Fund	0	0	0	0
NOAA Corps Retirement Pay	29,375	29,375	29,375	0
Western Pacific Sustainable Fisheries	391	622	650	28
Limited Access System Administration Fund	13,368	13,218	13,327	109
Sanctuaries Asset Forfeiture Fund	125	120	120	0
Fisheries Asset Forfeiture Fund	4,836	3,996	4,000	4
North Pacific Observer Fund	3,894	3,815	3,850	35
Gulf Coast Ecosystem Restoration, Science, Observation, Monitoring and Technology Fund	0	0	0	0
<b>Total Budget Authority</b>	<b>6,002,965</b>	<b>6,000,392</b>	<b>4,987,358</b>	<b>(1,013,034)</b>
Mandatory Funds	230,752	239,396	213,358	(26,038)

<b><u>Appropriation</u></b>	2016 <u>Actual</u>	2017 <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
<b>Discretionary Budget Authority</b>				
Operations, Research & Facilities (ORF)	\$3,439,634	\$3,429,445	\$3,119,748	(\$309,697)
P&D Net Transfers	(130,164)	(130,164)	(154,199)	(24,035)
Procurement, Acquisition & Construction (PAC)	2,395,457	2,394,554	1,806,499	(588,055)
Fishermen's Contingency Fund	350	349	349	0
Fisheries Finance Program Account	0	0	0	0
Pacific Coastal Salmon Recovery	65,000	64,876	0	(64,876)
Marine Mammal Unusual Mortality Event Fund	0	0	0	0
Medicare-Eligible Retiree Healthcare Fund	1,936	1,936	1,603	(333)
<b>Total Discretionary Budget Authority</b>	<b>5,772,213</b>	<b>5,760,996</b>	<b>4,774,000</b>	<b>(986,996)</b>
<b>Offsetting Receipts:</b>				
Fisheries Finance Negative Subsidy Receipt Account	(2,199)	(390)	(2,762)	(2,372)
<b>Total, Negative Subsidy</b>	<b>(2,199)</b>	<b>(390)</b>	<b>(2,762)</b>	<b>(2,372)</b>

## Highlights of Budget Changes

### Appropriation: Operations, Research and Facilities

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>11,108</b>	<b>\$3,299,281</b>
<b>Transfers</b>				
From Promote and Develop American Fisheries				130,164
NESDIS transfer from PAC Satellite Ground Systems PPA to ORF Satellite & Product Operations PPA.	0	\$1,200		
NESDIS transfer from PAC GOES-R PPA to ORF Satellite & Product Operations, NSOF Operations, Product Development, Readiness and Application, and National Centers for Environmental Information.	0	33,900		
NESDIS transfer from PAC Jason-3 PPA to ORF Satellite & Product Operations, Product Development, Readiness and Application, and National Centers for Environmental Information.	1	4,244		
NESDIS transfer from PAC DSCOVR PPA to ORF Satellite & Product Operations, and National Centers for Environmental Information.	1	2,939		
Total Internal transfers				42,283
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Restoration of FY 2017 Deobligations		17,500		
Adjustment for DOC Working Capital Fund		19,962		
Annualization of FTE	266			
Subtotal, Adjustments			266	37,462
<b>Financing</b>				
Recoveries				(27,500)
<b>Other Changes</b>				
2017 Pay raise		5,994		
2018 Pay raise		20,845		
Civil Service Retirement System(CSRS)		(1,328)		
Federal Employees' Retirement System(FERS)		2,605		
Thrift Savings Plan		379		
Federal Insurance Contributions Act (FICA) - OASDI		1,065		
Health insurance		3,360		
Employee's Compensation Fund		(367)		
Travel Per diem		363		
Rent payments to GSA		2,589		
Rent payments to Others		669		
Postage		2		
Printing and reproduction		90		
NARA		(255)		

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Other services:				
Working Capital Fund		(\$4,182)		
Commerce Business System		(855)		
Transportation of things		294		
Communications, utilities and miscellaneous charges		1,465		
Other services		16,572		
Supplies & Materials		1,313		
Equipment		708		
Grants		958		
Ship and Aircraft fuel costs		322		
Subtotal, other changes			0	\$52,606
Total Adjustments to Base			266	104,851
<b>2018 Base</b>			<b>11,374</b>	<b>3,534,296</b>
Program Changes			<b>-330</b>	<b>-414,548</b>
<b>2018 Total Requirements</b>			<b>11,044</b>	<b>3,119,748</b>
Transfer from Promote & Develop American Fishery Products & Research			0	-154,199
<b>2018 Appropriation</b>			<b>11,044</b>	<b>2,965,549</b>

**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
National Ocean Service	1,115	\$499,154	1,134	\$506,261	1,105	\$385,011	(29)	(\$121,250)
National Marine Fisheries Service	2,910	847,890	2,910	864,344	2,859	821,441	(51)	(42,903)
Oceanic & Atmospheric Research	710	461,024	730	468,991	660	324,004	(70)	(144,987)
National Weather Service	4,217	986,964	4,405	1,006,990	4,298	936,056	(107)	(70,934)
National Environmental Satellite Service	497	188,728	507	235,326	486	234,575	(21)	(751)
Mission Support	710	252,453	723	264,939	687	233,315	(36)	(31,624)
Office of Marine and Aviation Operations	949	210,732	965	214,945	949	212,846	(16)	(2,099)
<b>SUBTOTAL BUDGET AUTHORITY</b>	<b>11,108</b>	<b>3,446,945</b>	<b>11,374</b>	<b>3,561,796</b>	<b>11,044</b>	<b>3,147,248</b>	<b>(330)</b>	<b>(414,548)</b>
Deobligations	0	(17,500)	0	(27,500)	0	(27,500)	0	0
<b>TOTAL BUDGET AUTHORITY</b>	<b>11,108</b>	<b>3,429,445</b>	<b>11,374</b>	<b>3,534,296</b>	<b>11,044</b>	<b>3,119,748</b>	<b>(330)</b>	<b>(414,548)</b>
Transfers	0	(130,164)	0	(154,199)	0	(154,199)	0	0
<b>APPROPRIATION, ORF</b>	<b>11,108</b>	<b>3,299,281</b>	<b>11,374</b>	<b>3,380,097</b>	<b>11,044</b>	<b>2,965,549</b>	<b>(330)</b>	<b>(414,548)</b>

## Highlights of Major Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b><u>National Ocean Service</u></b>	1,134	\$506,261	-29	-\$131,250

The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$1,996 to discontinue single-year cooperative agreements with academic institutions for joint ocean and coastal mapping centers. NOAA will continue to support research and development of survey, geospatial data management, and cartographic technologies through the Joint Hydrographic Center, the Coast Survey Development Laboratory, and other Navigation, Observation and Positioning programs.
- A decrease of 0 FTE and \$5,989 to terminate the Regional Geospatial Modeling Grant program. NOAA will continue to support a range of other regional geospatial requirements through NOS's Coastal Zone Management and Services and Navigation, Observations and Positioning program activities. These activities include height modernization, Continuously Operating Reference Stations (CORS), data access and capacity building.
- A decrease of 0 FTE and \$8,983 to eliminate the NCCOS Competitive Research program, which provides grants to academic institutions to conduct ecological research that advances NOAA's missions. FY 2018 is scheduled to be the final year of funding for 35 of 50 open awards.
- A decrease of 0 FTE and \$74,858 to eliminate grants to state governments under the Coastal Zone Management Program and grants to eligible applicants under the Regional Coastal Resilience Grant Program. NOAA will continue to support states' participation in the National CZM program by reviewing and supporting implementation of states' management plans, supporting Federal consistency reviews, and providing technical assistance services.
- A decrease of 0 FTE and \$22,957 to discontinue NOAA grants to state agencies and academic institutions that support operations of the National Estuarine Research Reserve System (NERRS). Under this proposal, NOAA will continue to provide national-level system coordination and in-kind support to state governments that choose to continue operating the reserves using state funds.

<b><u>National Marine Fisheries Service (NMFS)</u></b>	2,910	\$864,344	-51	-\$42,903
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The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$3,044 to eliminate funding for the John H. Prescott Marine Mammal Rescue Assistance Grants Program. This is the only Federal funding source for the marine mammal stranding network organizations; however, some network members may still operate in the absence of Prescott Grants, depending on the availability of private funding. NOAA will continue to support related activities such as the rescue of large whales entangled in fishing gear and the coordination of stranding network responses to unusual marine mammal mortality events.
- A decrease of 0 FTE and \$5,000 to reduce funding for agency-independent reef fish assessments in the Gulf of Mexico. NOAA will continue to produce stock assessments for the Gulf of Mexico reef fish complex as part of its national stock assessment process.
- A decrease of 0 FTE and \$3,001 to reduce funding for the Cooperative Research program. The program will continue to execute cooperative research with industry, fishermen, and other stakeholders as available funding allows.
- A decrease of 0 FTE and \$5,002 to decrease support for implementation of new catch share programs; data collection improvements for recently implemented programs; and, national-level coordination to improve efficiency in the development and implementation of catch share programs. NOAA will reduce its investment in targeted lower priority tools, but will continue to provide support for the 16 programs currently under catch share management.
- A decrease of 1 FTE and \$2,994 for the Interjurisdictional Fisheries Grants program. The Interjurisdictional Fisheries Act of 1986 is a financial assistance program to promote state activities in support of the management of interjurisdictional resources. This reduction would eliminate funding for this grant program.
- A decrease of 0 FTE and \$10,000 to eliminate funding for the Coastal Ecosystem Resiliency Grants program. The Coastal Ecosystem Resiliency Grants program supports on-the-ground habitat restoration projects that reduce communities' vulnerability to extreme weather, while supporting protected and managed species.
- A decrease of 2 FTE and \$64,876 to eliminate funding for the Pacific Coastal Salmon Recovery Fund grant program. NOAA will continue its Federal commitment to advancing Pacific salmon and steelhead recovery and Tribal treaty fishing rights through other NOAA programs to the extent possible.

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b><u>Oceanic and Atmospheric Research (OAR)</u></b>	730	\$468,991	-70	-\$144,987

The following are selected NOAA requested decreases for this activity:

- A decrease of 5 FTE and \$23,702 reduce competitively funded research that advances understanding of the Earth's climate system and enhances regional decision-making capabilities. NOAA will reduce competitive research grants to cooperative institutes, universities, NOAA research laboratories, and other partners.
- A decrease of 0 FTE and \$6,000 to eliminate Arctic research within the Office of Oceanic and Atmospheric research. NOAA will terminate improvements to sea ice modeling and predictions that support the safety of fishermen, commercial shippers, cruise ships, and local community stakeholders.
- A decrease of 34 FTE and \$4,699 to close the Air Resources Laboratory (ARL). Research on air chemistry, mercury deposition, and atmospheric dispersion of harmful materials will be curtailed. ARL's headquarters in College Park, MD will be closed, as will satellite campuses in Idaho Falls, ID, Las Vegas, NV, and Mercury, NV. NOAA will also end upgrades to the Hybrid Single Particle Lagrangian Integrated Trajectory, which is a particle model that has emergency response applications ranging from tracking mercury deposition to anthrax bioterrorism.
- A decrease of 3 FTE and \$5,375 to close the Unmanned Aircraft Systems Program Office. NOAA will discontinue intramural grants to examine innovative UAS technologies to improve the efficiency and safety of observing operations across NOAA for weather prediction, earth system monitoring, and environmental research.
- A decrease of 0 FTE and \$5,000 to end the Vortex-Southeast (VORTEX-SE) project. Funding is being used to understand how environmental factors that are characteristic of the southeastern United States affect the formation, intensity, and storm path of tornadoes for this region.
- A decrease of 0 FTE and \$5,989 to terminate the Joint Technology Transfer Initiative (JTTI). Funding is being used to transition the latest technological advances due to weather research into products and services actively used by communities and businesses.
- A decrease of 0 FTE and \$500 to conclude infrasonic monitoring research. NOAA was able to complete and evaluation of this technology using funding in FY 2016 and FY 2017.
- A decrease of 0 FTE and \$2,000 to reduce support for an autonomous underwater vehicle (AUV) demonstration testbed. NOAA will maintain its fleet of autonomous vehicles and other alternative technologies, and will continue to support a competitive process open to NOAA laboratories and Competitive Institutes, but will eliminate funding available for ongoing development, test, and evaluation activities.
- A decrease of 0 FTE and \$1,880 to eliminate the environmental genomics program at the Atlantic Oceanographic and Meteorological Laboratory (AOML). Terminating this program will slow development of new DNA sampling tools and advances in other AOML research areas, including coral monitoring and restoration, fisheries assessments for species, such as Bluefin tuna larvae, and recruitment models of endangered species.
- A decrease of 14 FTE and \$72,861 to terminate the National Sea Grant College Program and end Federal support for the network of 33 Sea Grant programs located in coastal States and territories. With the termination of the NOAA Sea Grant Program, NOAA will explore options for addressing staffing issues, such as transfers, Voluntary Early Retirement Authority (VERA), and Voluntary Separation Incentive Payments (VSIP) and other options will be requested and/or explored. NOAA will also terminate the Sea Grant's Marine Aquaculture Program.
- A decrease of 0 FTE and \$12,500 will reduce mapping and exploration of unknown and poorly understood areas of the ocean. The OER program will reduce funding to the Cooperative Institute for Ocean Exploration, Research and Technology and the Global Foundation for Ocean Exploration, cutting exploration, education, and outreach activities, including exploration that could lead to discovery of new mineral deposits or medicinal resources. In addition, OER will limit funding for extramural grants and eliminate financial support for the interagency Biodiversity Observation Network.

<b><u>National Weather Service</u></b>	4,405	\$1,006,990	-107	-\$70,934
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The following are selected NOAA requested increases for this activity:

- An increase of 0 FTE and \$5,130 for Advanced Weather Interactive Processing System (AWIPS) cyclical replacement for AWIPS servers, workstations, monitors, and printers. AWIPS is the interactive computer system that integrates all meteorological and hydrological data, all satellite and radar data, and enables forecasters to prepare and issue accurate and timely forecasts and warnings.
- An increase of 0 FTE and \$4,000 to fund upgrades and enhancements to operational applications on the Integrated Dissemination Program (IDP) systems in College Park, MD and Boulder, CO. Requested funding will help integrate



targeted mission-critical applications into the dissemination infrastructure providing a higher level of redundancy and reliability than what exists currently to our partners and customers.

- An increase of 0 FTE and \$1,996 in Dissemination to fully fund the operations and maintenance of the NOAA Weather Radio (NWR) network. Without this funding, NOAA Weather Radio would decommission transmitter sites at highest-cost locations in rural areas (due to remoteness) and urban areas (due to high-cost leased space at transmitter sites).

The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$25,989 in Observations to reduce the National Mesonet Program, Weather and Oceans Platforms, and the Tropical Atmosphere Ocean (TAO). This reduction limits mesonets (mesoscale meteorological) observations to only the highest-priority geographic areas. This decrease also lessens marine observations that inform forecasts and warnings and reduces observations of global environmental patterns (such as El Niño) that inform seasonal forecasts. Funding for Tsunami observations through the Deep-ocean Assessment and Reporting of Tsunamis (DART®) is eliminated.
- A decrease of 74 FTE and \$10,100 in Central Processing to reflect the significant efficiencies that can be achieved by transitioning to a new IT service delivery model for the NWS forecast offices. In FY 2018, NWS proposes to initiate a phased consolidation of its 122 Information Technology Officer (ITO) full-time equivalents (FTE). Consolidating IT support functions is a critical part of evolving the NWS, including a right-sized workforce and appropriate organizational structure.
- A decrease of 0 FTE and \$2,000 in Central Processing to forgo the additional development needed to address science gaps and provide implementation support for the Hydrologic Ensemble Forecast Service (HEFS). This will limit future implementation of HEFS at Advanced Hydrologic Prediction Services forecast locations. As a result, more AHPS forecast locations will have a higher degree of uncertainty than previously planned.
- A decrease of 25 FTE and \$11,000 in Analyze, Forecast and Support to reduce or eliminate many components of NOAA's Tsunami Research and Operational Warning program. The reductions will leave the U.S. with one operational Tsunami Warning Center. This will limit NOAA's support for tsunami monitoring and reporting, modeling research, and support to partners. All supporting programmatic activities, education, and outreach for preparedness and innovation research will cease.
- A decrease of 0 FTE and \$1,806 in Analyze, Forecast and Support to eliminate NOAA's aviation science research-to-operations (R2O) effort.
- A decrease of 8 FTE and \$1,200 in Analyze, Forecast and Support to consolidate functions at the National Centers for Environmental Prediction (NCEP) Climate Prediction Center (CPC) and Weather Prediction Center (WPC) in order to achieve some efficiency while preserving core capabilities to develop sub-seasonal to seasonal predictions and services and real-time blended weather.
- A decrease of 0 FTE and \$1,100 in Dissemination to reduce Next Generation Air Transportation System (NextGen) program. NOAA will reduce funding to the NextGen program but will maintain the existing NextGen IT Web Services support to accommodate data providers, users and increase data throughput.
- A decrease of 0 FTE and \$5,000 to terminate investment in mediumrange weather outlooks including all development, testing, and implementation of experimental products to extend operational weather outlooks from 16 days to 30 days. NOAA will also eliminate efforts to develop and implement improved coupled global weather prediction models (including component models of ocean, sea-ice, wave, and land-surface models) for extending weather predictions beyond 14 days.
- A decrease of 0 FTE and \$4,629 to terminate actions associated with the implementation of the Consumer Option for an Alternative System to Allocate Losses (COASTAL) Act of 2012. The COASTAL Act requires NOAA to produce detailed "post-storm assessments" in the aftermath of a damaging tropical cyclone that strikes the United States or its territories. NWS will continue to further COASTAL Act objectives to the extent possible with existing resources and will continue to make available observational and model data related to land-falling tropical cyclones.
- A decrease of 0 FTE and \$5,000 to slow down the development of the Next Generation Global Prediction System (NGGPS), including: reducing support to the unified data assimilation development; eliminating support to the development of the Unified Global Coupled System; reducing support to the collaborative research activities for the Hurricane Forecast Improvement Project (HFIP); and reducing support to NOAA's testbeds.
- A decrease of 0 FTE and \$3,101 to reduce investment in the National Water Model delaying future model upgrades for centralized water prediction products and services at the National Water Center.
- A decrease of 0 FTE and \$2,000 as the Operations and Workforce Analysis (OWA) is completed and NOAA's efforts will shift to testing, evaluation and implementation phases. NOAA will prioritize field demonstrations aimed at supporting consistent implementation of Impact-Based Decision Support Services (IDSS).
- A decrease of 0 FTE and \$1,000 to terminate efforts to develop and implement key aviation tools and capabilities. NOAA will maintain the current level of operational aviation weather forecast products and services.

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b><u>National Environmental Satellite, Data and Information Service (NESDIS)</u></b>	507	\$235,326	-21	-\$751

The following are selected NOAA requested increases for this activity:

- An increase of 0 FTE and \$4,531 for Satellite and Product Operations to improve data flow resiliency across NOAA's critical Information Technology systems and infrastructure. This request specifically would support movement of NESDIS high impact systems to enterprise security services and automated patching and continuing monitoring through NOAA-wide enterprise services.
- An increase of 0 FTE and \$3,138 for Satellite and Product Operations for a system refresh of the current ground system for the Jason-3 satellite.
- An increase of 0 FTE and \$2,421 for Satellite and Product Operations to provide on-orbit support for the DSCOVR satellite through technical and engineering assistance.
- An increase of 0 FTE and \$202 to enable the Commercial Remote Sensing Regulatory Affairs (CRSRA) statutory authority to regulate private remote sensing systems. Funding will allow CRSRA to implement a more effective regulatory structure for the commercial remote sensing industry, including a necessary increase in capacity to address the growing demand for commercial remote sensing licenses.
- An increase of 0 FTE and \$601 for the Office of Space Commerce to evaluate commercial opportunities for NOAA, including commercial data buys.

The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$3,629 to reduce the number of Product Development, Readiness & Application Program (PDR&A) data products, applications, techniques and systems developed.
- A decrease of 0 FTE and \$3,000 to decrease funding under the Regional Climate Centers (RCC) Program to support other existing NOAA priorities. NOAA will continue to produce and deliver climate data for decision makers and other users at a reduced level.
- A decrease of 0 FTE and \$1,686 to terminate the Big Earth Data Initiative National Centers for Environmental Information in order to fully support other existing NOAA data stewardship priorities in NOAA's Environmental Data Management Framework by leveraging other existing programs and partnerships to continue to improve data discovery, access, compatibility and documentation.

<b><u>Mission Support</u></b>	723	\$264,939	-36	-\$31,624
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The following are selected NOAA requested decreases for this activity:

- A decrease of 17 FTE and \$19,475 to eliminate funding for the Office of Education. This will terminate coordination activities provided by the Office of Education as well as the Competitive Education Grants Program and the Educational Partnership Program for Minority Serving Institutions.
- A decrease of 0 FTE and \$7,186 to eliminate NOAA Bay-Watershed Education and Training which are used to promote place-based, experiential learning in K-12 Science, Technology, Education, & Mathematics (STEM) education.

<b><u>Office of Marine and Aviation Operations</u></b>	965	\$214,945	-16	-\$2,099
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The following is a selected NOAA requested increase for this activity:

- An increase of 0 FTE and \$2,000 for increased lease and fuel costs for NOAA's Aircraft Operations Center at Lakeland Linder Regional Airport. Without increased funding, NOAA will reduce its aircraft variable operations budget to support lease payments and higher fuel costs. NOAA plans to maintain 4,035 flight hours in FY 2018.

**Detailed Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>NATIONAL OCEAN SERVICE</b>								
Navigation, Observations and Positioning:								
Navigation, Observations and Positioning	518	\$148,718	523	\$151,762	510	\$140,947	(13)	(\$10,815)
Hydrographic Survey Priorities/Contracts	9	26,949	9	26,949	9	26,949	0	0
IOOS Regional Observations	0	29,444	0	29,444	0	29,444	0	0
<b>Total, Navigation, Observations &amp; Positioning</b>	<b>527</b>	<b>205,111</b>	<b>532</b>	<b>208,155</b>	<b>519</b>	<b>197,340</b>	<b>(13)</b>	<b>(10,815)</b>
Coastal Science and Assessment:								
Coastal Science, Assessment, Response and Restoration	264	72,463	272	74,526	264	72,885	(8)	(1,641)
Competitive Research	0	8,983	0	8,983	0	0	0	(8,983)
<b>Total, Coastal Science and Assessment</b>	<b>264</b>	<b>81,446</b>	<b>272</b>	<b>83,509</b>	<b>264</b>	<b>72,885</b>	<b>(8)</b>	<b>(10,624)</b>
Services:								
Coastal Zone Management and Services	122	39,924	126	40,703	123	39,924	(3)	(779)
Coastal Zone Grants	0	74,858	0	74,858	0	0	0	(74,858)
Coral Reef Program	21	25,951	22	26,051	22	25,955	0	(96)
Nat'l Estuarine Research Reserve System	0	22,957	0	22,957	0	0	0	(22,957)
Ocean Management	181	48,907	182	50,028	177	48,907	(5)	(1,121)
<b>Total, Ocean &amp; Coastal Management &amp; Services</b>	<b>324</b>	<b>212,597</b>	<b>330</b>	<b>214,597</b>	<b>322</b>	<b>114,786</b>	<b>(8)</b>	<b>(99,811)</b>
<b>TOTAL, NOS</b>	<b>1,115</b>	<b>499,154</b>	<b>1,134</b>	<b>506,261</b>	<b>1,105</b>	<b>385,011</b>	<b>(29)</b>	<b>(121,250)</b>
<b>NATIONAL MARINE FISHERIES SERVICE</b>								
Protected Resources Science & Management	811	182,064	811	185,678	797	179,020	(14)	(6,658)
Fisheries Science and Management	1,713	535,664	1,713	546,606	1,682	522,144	(31)	(24,462)
Enforcement	232	68,870	232	70,000	228	68,943	(4)	(1,057)
Habitat Conservation & Restoration	154	61,292	154	62,060	152	51,334	(2)	(10,726)
<b>TOTAL, NMFS</b>	<b>2,910</b>	<b>847,890</b>	<b>2,910</b>	<b>864,344</b>	<b>2,859</b>	<b>821,441</b>	<b>(51)</b>	<b>(42,903)</b>
<b>OCEANIC &amp; ATMOSPHERIC RESEARCH</b>								
Climate Research	254	157,702	260	159,116	251	128,000	(9)	(31,116)
Weather & Air Chemistry Research	238	102,963	246	108,304	203	84,887	(43)	(23,417)
Ocean, Coastal and Great Lakes Research	207	188,238	213	189,389	195	98,996	(18)	(90,393)
Technology and Transfer	11	12,121	11	12,182	11	12,121	0	(61)
<b>TOTAL, OAR</b>	<b>710</b>	<b>461,024</b>	<b>730</b>	<b>468,991</b>	<b>660</b>	<b>324,004</b>	<b>(70)</b>	<b>(144,987)</b>
<b>NATIONAL WEATHER SERVICE</b>								
Observations	678	215,954	890	236,585	890	207,660	0	(28,925)
Central Processing	223	92,695	229	95,045	155	86,144	(74)	(8,901)
Analyze, Forecast and Support	2,839	495,094	2,781	491,693	2,748	476,099	(33)	(15,594)
Dissemination	75	44,658	81	45,965	81	49,985	0	4,020
Science and Technology Integration	402	138,563	424	137,702	424	116,168	0	(21,534)
<b>TOTAL, NWS</b>	<b>4,217</b>	<b>986,964</b>	<b>4,405</b>	<b>1,006,990</b>	<b>4,298</b>	<b>936,056</b>	<b>(107)</b>	<b>(70,934)</b>

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE</b>								
Environmental Satellite Observing Systems	308	129,854	314	172,523	302	178,056	(12)	5,533
National Centers for Environmental Intelligence	189	58,874	193	62,803	184	56,519	(9)	(6,284)
<b>TOTAL, NESDIS</b>	<b>497</b>	<b>188,728</b>	<b>507</b>	<b>235,326</b>	<b>486</b>	<b>234,575</b>	<b>(21)</b>	<b>(751)</b>
<b>MISSION SUPPORT</b>								
Office of Education	17	26,581	17	26,661	0	0	(17)	(26,661)
Executive Leadership	119	26,949	121	28,087	118	27,027	(3)	(1,060)
Mission Services and Management	572	147,720	572	141,448	556	137,605	(16)	(3,843)
IT Security	2	8,284	13	10,044	13	9,984	0	(60)
Payment to DoC Working Capital Fund	0	42,919	0	58,699	0	58,699	0	0
<b>Total, Mission Support</b>	<b>710</b>	<b>252,453</b>	<b>723</b>	<b>264,939</b>	<b>687</b>	<b>233,315</b>	<b>(36)</b>	<b>(31,624)</b>
<b>OFFICE OF MARINE AND AVIATIONS OPERATIONS (OMAO)</b>								
Marine Operations and Maintenance	828	178,500	844	182,662	828	178,614	(16)	(4,048)
Aviation Operations	121	32,232	121	32,283	121	34,232	0	1,949
<b>Total, OMAO</b>	<b>949</b>	<b>210,732</b>	<b>965</b>	<b>214,945</b>	<b>949</b>	<b>212,846</b>	<b>(16)</b>	<b>(2,099)</b>
<b>TOTAL DIRECT OBLIGATIONS</b>								
Unobligated balance, start of year	11,108	3,446,945	11,374	3,561,796	11,044	3,147,248	(330)	(414,548)
Transfer of unobligated P&D balance							0	0
De-obligations (direct)		(17,500)		(27,500)		(27,500)	0	0
<b>TOTAL BUDGET AUTHORITY, ORF</b>	<b>11,108</b>	<b>3,429,445</b>	<b>11,374</b>	<b>3,534,296</b>	<b>11,044</b>	<b>3,119,748</b>	<b>(330)</b>	<b>(414,548)</b>
<b>TRANSFERS:</b>								
From PDF		(130,164)		(154,199)		(154,199)	0	0
Subtotal, Transfers	0	(130,164)	0	(154,199)	0	(154,199)	0	0
<b>APPROPRIATION, ORF</b>	<b>11,108</b>	<b>3,299,281</b>	<b>11,374</b>	<b>3,380,097</b>	<b>11,044</b>	<b>2,965,549</b>	<b>(330)</b>	<b>(414,548)</b>

## Appropriation: Procurement, Acquisition and Construction

### Summary of Requirements

	Detailed		Summary	
	FTE	Amount	FTE	Amount
<b>2017 CR Annualization</b>			<b>294</b>	<b>\$2,395,856</b>
<b>Transfer</b>				
To OIG				(1,302)
<b>Adjustments to Base</b>				
<b>Adjustments</b>				
Restoration of FY 2017 deobligations				13,000
<b>Financing</b>				
Technical Adjustment to Base			46	-42,283
Recoveries of prior year obligations				-13,000
<b>Total Adjustments to Base</b>			<b>46</b>	<b>-42,283</b>
<b>Other FTE Changes</b>				<b>0</b>
<b>2018 Base</b>			<b>340</b>	<b>2,352,271</b>
Program Changes			0	-545,772
<b>Total Requirements</b>			<b>340</b>	<b>1,806,499</b>
Transfer to OIG			0	1,302
<b>2018 Appropriation</b>			<b>340</b>	<b>1,807,801</b>

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>National Ocean Service</b>								
Construction / Acquisition								
NERRS	0	1,697	0	1,697	0	0	0	(1,697)
Marine Sanctuaries	2	1,996	3	1,996	3	1,996	0	0
Total, NOS PAC	2	3,693	3	3,693	3	1,996	0	(1,697)
<b>National Marine Fisheries Service</b>								
Systems Acquisition / Construction	0	0	0	0	0	0	0	0
Total, NMFS PAC	0	0	0	0	0	0	0	0
<b>Oceanic and Atmospheric Research</b>								
Systems Acquisition	0	20,041	0	20,041	0	26,000	0	5,959
Total, OAR PAC	0	20,041	0	20,041	0	26,000	0	5,959
<b>National Weather Service</b>								
Systems Acquisition								
Observations	0	16,688	0	16,688	0	20,674	0	3,986
Central Processing	24	64,139	24	64,139	24	58,139	0	(6,000)
Dissemination	0	45,598	0	45,598	0	34,553	0	(11,045)
Construction								
Facilities Construction and Major Repairs	0	8,634	0	8,634	0	8,634	0	0
Total, NWS PAC	24	135,059	24	135,059	24	122,000	0	(13,059)

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>National Environmental Satellite, Data &amp; Information Service:</b>								
Systems Acquisition								
Geostationary Satellites - R	60	\$870,143	63	\$836,243	63	\$518,532	0	(\$317,711)
Jason-3	1	7,444	0	0	0	0	0	0
Joint Polar Satellite System (JPSS)	60	807,439	78	807,439	78	775,777	0	(31,662)
Polar Follow -on	24	369,300	26	369,300	26	179,956	0	(189,344)
Cooperative Data and Rescue Services	0	499	0	499	0	500	0	1
DSCOVR	2	3,194	0	0	0	0	0	0
Space Weather Follow -on	0	1,198	1	1,198	1	500	0	(698)
COSMIC 2/GNSS RO	1	10,081	1	10,081	1	6,100	0	(3,981)
Satellite Ground Services	74	53,898	84	56,153	84	53,000	0	(3,153)
System Architecture & Advanced Planning	8	3,922	14	3,922	14	4,929	0	1,007
Projects, Planning & Analysis	32	25,152	36	25,152	36	37,185	0	12,033
Commercial Weather Data Pilot	0	2,994	2	2,994	2	3,000	0	6
Subtotal	262	2,155,264	305	2,112,981	305	1,579,479	0	(533,502)
Construction	0	2,224	0	2,224	0	2,450	0	226
OIG Transfer	0	(1,302)	0	(1,302)	0	(1,302)	0	0
Total, NESDIS PAC	262	2,156,186	305	2,113,903	305	1,580,627	0	(533,276)
<b>Mission Support / Construction</b>								
NOAA Construction	0	998	0	998	0	998	0	0
Total, Mission Support Construction PAC	0	998	0	998	0	998	0	0
<b>Office of Marine &amp; Aviation Operations</b>								
Fleet Capital Improvements	1	11,678	1	11,678	1	12,878	0	1,200
Fleet Recapitalization	5	79,899	7	79,899	7	75,000	0	(4,899)
Total, OMAO, PAC	6	91,577	8	91,577	8	87,878	0	(3,699)
<b>TOTAL OBLIGATIONS, PAC</b>								
De-obligations	0	(13,000)	0	(13,000)	0	(13,000)	0	0
<b>TOTAL BUDGET AUTHORITY, PAC</b>	294	2,394,554	340	2,352,271	340	1,806,499	0	(545,772)
<b>TRANSFERS</b>								
TO OIG	0	1,302	0	1,302	0	1,302	0	0
Subtotal, Transfers	0	1,302	0	1,302	0	1,302	0	0
<b>APPROPRIATION, PAC</b>	294	2,395,856	340	2,353,573	340	1,807,801	0	(545,772)

**Highlights of Program Changes**

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b><u>National Ocean Service (NOS)</u></b>	3	\$3,693	0	-\$1,697

NOAA requests the following decrease for the following activity:

- A decrease of 0 FTE and \$1,697 to discontinue grants to state agencies and academic institutions for construction and land acquisition activities within the National Estuarine Research Reserve System. Under this proposal, NOAA will continue to provide national-level system coordination and in-kind support to state governments that choose to continue operating the reserves using state funds.

<b><u>Office of Oceanic &amp; Atmospheric Research (OAR)</u></b>	0	\$20,041	0	+\$5,959
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NOAA requests the following increase for the following activity:

- An increase of 0 FTE and \$5,959 to continue the recapitalization of its research and development (R&D) High Performance Computing (HPC) infrastructure. The proposed increase will begin recapitalization of NOAA's R&D HPC resources for NOAA's supercomputer in Fairmont, West Virginia, Theia, and provide more sustainable funding for regular refresh and recapitalization of HPC resources.

<b><u>National Weather Service (NWS)</u></b>	24	\$135,059	0	-\$13,059
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The following is a selected NOAA requested increase for this activity:

- An increase of 0 FTE and \$3,986 to support a Service Life Extension Program (SLEP) on the aging Automated Surface Observing System (ASOS) which serves as the Nation's primary surface weather observing network. This increase will support production of the Acquisition Control Unit (ACU) and Data Collection Package (DCP) and deployment of the new Operating System software. It will also begin addressing the needs for upgrading ASOS telecommunications.

The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$6,000 to reduce the NWS computational use of NOAA's Research and Development High Performance Computing system by eliminating its supercomputing system in Boulder, CO and reducing the NWS use of supercomputing in Fairmont, WV.
- A decrease of 0 FTE and \$7,604 to reflect the completion of a re-architected NWS Telecommunications Gateway at the Integrated Dissemination Program (IDP) information technology infrastructure primary and backup sites in College Park, MD and Boulder, CO. The re-architected NWS Telecommunications Gateway fully eliminates a single point of failure for the collection and dissemination of timely weather, climate, and hydrologic products.
- A decrease of 0 FTE and \$3,441 to reflect the completion of the NWS Ground Readiness Project (GRP), which will ensure utilization of the substantial increase in environmental satellite, radar, and model data to improve weather warnings and forecasts. The GRP investment was critical to NOAA Weather-Ready Nation evolution as it prepared for the three-fold increase in data volume from new environmental satellites and increased data from models and radar.

<b><u>National Environmental Satellite, Data and Information Service (NESDIS)</u></b>	305	\$2,113,903	0	-\$533,276
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The following are selected NOAA requested increases for this activity:

- An increase of 0 FTE and \$1,007 for System Architecture and Advanced Planning to begin pre-acquisition activities informed by the NOAA Satellite Observing System Architecture study to ensure continuity of NOAA's environmental satellite data following the current GOES-R Series and JPSS programs.
- An increase of 0 FTE and \$12,033 for MetOp-C instruments under Projects, Planning and Analysis to support the pre-launch testing, launch activities, and Ground Support Equipment of U.S.-instruments on the European MetOp-C satellite, which is scheduled to launch in October 2018. This satellite will provide mid-morning polar observations for weather forecasting, and the launch of the NOAA suite of U.S. instruments on MetOp-C is critical to maintaining the quality of Numerical Weather Prediction (NWP) models.

- An increase of 0 FTE and \$226,000 to accelerate electrical infrastructure renewal at the Fairbanks Satellite Command and Data Acquisition Station.

The following are selected NOAA requested decreases for this activity:

- A decrease of 0 FTE and \$317,711 to continue satellite engineering development, production, integration, and launch activities to complete the four-satellite Geostationary Operational Environmental Satellite - R (GOES-R) Series Program. The remaining funding will sustain the continuity of the GOES-R Series program geostationary observing platforms, including the instruments, satellite, and launch vehicle activities currently under contract to meet the GOES-S launch. Remaining funds will also be used to continue the development activities for GOES-T and GOES-U, including ground system check out.
- A decrease of 0 FTE and \$31,662 for the Joint Polar Satellite System (JPSS). These funds will be used to operate and sustain the Suomi National Polar-orbiting Partnership and JPSS-1 satellites; continue development of the instruments and spacecraft for JPSS-2; and continue operations, maintenance and sustainment of the ground system for JPSS.
- A decrease of 0 FTE and \$189,344 for the Polar Follow On (PFO) program. NOAA is refining its constellation strategy for polar weather satellite continuity while seeking cost efficiencies, managing system technical risks and leveraging partnerships. NOAA will continue development activities for the PFO/ Joint Polar Satellite System (JPSS) JPSS-3 and JPSS-4 missions to ensure continuity of polar observations beyond JPSS-2.
- A decrease of 0 FTE and \$700 for Space Weather Follow On (SWFO) program. NOAA will continue to conduct expansive mission analyses for future space weather missions.
- A decrease of 0 FTE and \$3,981 for ground reception and processing of Global Navigation Satellite System Radio Occultation satellite data. FY 2018 funding will support ground system development necessary for the launch and operation of the COSMIC-2A constellation and will continue to fund the procurement of services for at least one commercial ground station to reduce data latency and increase data reliability at low cost.
- A decrease of 0 FTE and \$3,153 to decrease Satellite Ground Services (SGS) activities in order to fully support other existing NOAA priorities.

	<u>Base</u>		<u>Increase / Decrease</u>	
<u>Office of Marine and Aviation Operations</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	8	\$91,577	0	-\$3,699

NOAA requests the following increase for this activity:

- An increase of 0 FTE and \$1,200 to increase funding available for capital repairs to NOAA's ship fleet under the Progressive Lifecycle Maintenance program. Progressive lifecycle maintenance offers greater capacity to address needed repairs that improve the material condition of the fleet and provides a sustained capital investment in mission systems refresh and technology infusion that will ensure NOAA ships remain capable of collecting environmental data to support NOAA's mission and the public's need for accurate and reliable information.

NOAA requests the following decrease for this activity:

- A planned programmatic decrease of 0 FTE and \$4,899 for the completion of construction of a new NOAA AGOR vessel. The \$75 million request in FY 2018 begins construction of a second NOAA (N/V) Class A Auxiliary General Purpose Oceanographic Research vessel (AGOR derivative) as part of NOAA's overall fleet recapitalization efforts. The N/V Class A is a survey vessel which primarily supports oceanographic monitoring, research, and modeling. NOAA will also continue planning for the N/V Class B, with the primary mission of charting and surveying, and the N/V Class C, with the primary mission of assessment and management of living marine resources.



## Appropriation: Pacific Coastal Salmon Recovery

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 CR Annualization</b>	<b>2</b>	<b>\$64,876</b>
Adjustments	0	0
<b>2018 Base</b>	<b>2</b>	<b>64,876</b>
Program Changes	-2	-64,876
<b>2018 Appropriation</b>	<b>0</b>	<b>0</b>

This account funds state, tribal and local conservation initiatives to help recover Pacific salmon populations. State and local recipients of this funding provide matching contributions of at least thirty-three percent of Federal funds. In addition, NOAA makes funds available to Tribes that do not require matching dollars.

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>TOTAL APPROPRIATION</b>	2	\$64,876	2	\$64,876	0	\$0	(2)	(\$64,876)

## Appropriation: Limited Access System Administration Fund

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 Mandatory Appropriation</b>	<b>40</b>	<b>\$13,218</b>
Adjustments	0	109
<b>2018 Base</b>	<b>40</b>	<b>13,327</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>40</b>	<b>13,327</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>	38	\$13,218	38	\$13,327	38	\$13,327	0	\$0
Temporarily reduced		929				919		
Appropriation previously unavailable		(690)				(929)		
<b>APPROPRIATION</b>	38	13,457			38	13,317		

Under the authority of the Magnuson-Stevens Act Section 304(d)(2)(A), NMFS must collect a fee to recover the incremental costs of management, data collection, and enforcement of Limited Access Privilege (LAP) programs. Funds collected under this authority are deposited into the Fund. Fees cannot exceed three percent of the ex-vessel value of fish harvested under any such program. The Fund is available, without appropriation or fiscal year limitation, only for the purposes of administrating the central registry system; and administering and implementing the MSA in the fishery in which the fees were collected.

## Appropriation: Fishermen's Contingency Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>	<b>0</b>	<b>\$349</b>
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>349</b>
Program Changes	0	0
<b>2018 Appropriation</b>	<b>0</b>	<b>349</b>

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>TOTAL APPROPRIATION</b>	0	\$349	0	\$349	0	\$349	0	\$0

The Fishermen's Contingency Fund is authorized under Section 402 of Title IV of the Outer Continental Shelf Lands Act Amendments of 1978. NOAA compensates U.S. commercial fishermen for damage or loss of fishing gear, vessels, and resulting economic loss caused by obstructions related to oil and gas exploration, development, and production in any area of the Outer Continental Shelf (OCS). The funds used to provide this compensation are derived from fees collected on an annual basis by the Secretary of the Interior from the holders of leases, exploration permits, easements, or rights-of-way in areas of the OCS. This activity is funded totally through user fees. Disbursements can be made only to the extent authorized in appropriation acts.

## Appropriation: Foreign Fishing Observer Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$0</b>
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>0</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>0</b>

The Foreign Fishing Observer Fund is financed through fees collected from owners and operators of foreign fishing vessels fishing within the U.S. EEZ (such fishing requires a permit issued under the MSA). This includes longline vessels fishing in the Atlantic billfish and shark fishery and other foreign vessels fishing in the EEZ. The fund is used by NOAA to pay salaries, administrative costs, data editing and entry, and other costs incurred in placing observers aboard foreign fishing vessels. The observer program is conducted primarily through contracts with the private sector. NOAA places these observers aboard foreign fishing vessels to monitor compliance with U.S. fishery laws and to collect fishery management data. Amounts available in the fund can be disbursed only to the extent and in amounts provided in appropriation acts. In FY 1985, Congress approved the establishment of a supplemental observer program. The program provided that foreign vessels without Federally funded observers are required to obtain the services of private contractors certified by the Secretary of Commerce.

## Appropriation: Fisheries Finance Program Account

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>	<b>0</b>	<b>\$30,764</b>
Adjustments		<b>-30,764</b>
<b>2018 Base</b>	<b>0</b>	<b>0</b>
Program Changes	0	0
<b>2018 Discretionary Appropriation</b>	<b>0</b>	<b>0</b>

**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>TOTAL APPROPRIATION</b>	0	\$30,764	0	\$0	0	\$0	0	\$0

The Fisheries Finance Program (FFP) is a national loan program that makes long-term, fixed-rate financing available to U.S. citizens who otherwise qualify for financing or refinancing. Types of activities for financing include the construction, reconstruction, reconditioning, and, in some cases, the purchasing of fishing vessels, shoreside processing, aquaculture, mariculture facilities, and the purchase of individual fishing quota (IFQ). The FFP also provides fishery-wide financing to ease the transition to sustainable fisheries through its fishing capacity reduction programs and provides financing to fishermen who fish from small vessels and entry-level fishermen to promote stability and reduce consolidation in already rationalized fisheries. Additionally, FFP can provide loans for fisheries investments of Native American Community Development Quota (CDQ) groups.

The FFP operates under the authority of Title XI of the Merchant Marine Act of 1936, as amended (46 USC 53701); Section 303(a) of the Sustainable Fisheries Act amendments to the MSA; and, from time to time FFP-specific legislation. The overriding guideline for all FFP financings is that they cannot contribute or be construed to contribute to an increase in existing fish harvesting.

## Appropriation: Promote and Develop Fisheries Products

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>0</b>	<b>\$0</b>
<b>Transfers</b>				
From Department of Agriculture		\$145,175		
To NOAA ORF		(130,164)		
<b>Total, Transfers</b>			3	15,011
<b>Temporarily Reduced</b>			0	-10,017
<b>Appropriations Previously Unavailable</b>			0	9,915
<b>Adjustments</b>			-3	-14,909
<b>2018 Base</b>			<b>0</b>	<b>0</b>
Program Changes			0	0
<b>Total Requirements</b>			<b>0</b>	<b>0</b>
<b>Transfers</b>				
From Department of Agriculture				-154,868
To NOAA ORF				154,199
Temporarily Reduced				10,686
Appropriations Previously Unavailable				-10,017
<b>2018 Appropriation</b>			<b>0</b>	<b>0</b>

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>TOTAL APPROPRIATION</b>	3	\$14,909	0	\$0	0	\$0	0	\$0
<b>TRANSFERS</b>								
From Department of Agriculture	(3)	(145,175)				(154,868)		
To NOAA ORF		130,164				154,199		
Appropriations Previously Unavailable		(9,915)				(10,017)		
Temporarily Reduced		10,017				10,686		
<b>APPROPRIATION</b>	<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>		

The Promote and Develop account funds are derived from a transfer of thirty percent of duties on imported fisheries products from the Department of Agriculture. Funds from this account are transferred to offset the appropriations for fisheries research and management in the ORF account. Any funds remaining in this account after the ORF transfer are available for Saltonstall-Kennedy grants, which support fisheries research and development projects. For FY 2018, NOAA requests \$0 funding for the S-K Grant Program. NOAA estimates that a total of \$154,867,577 will be transferred from the Department of Agriculture to the Promote and Develop account. After accounting for sequestration the remaining \$154,199,000 will be transferred from the Promote and Develop account to the ORF account.

## Appropriation: Damage Assessment and Restoration Revolving Fund

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 Mandatory Appropriation</b>	<b>15</b>	<b>\$0</b>
Adjustments	0	0
<b>2018 Base</b>	<b>15</b>	<b>0</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>15</b>	<b>0</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>	15	\$5,962	15	\$5,968	15	\$5,968	0	\$0
<b>TRANSFERS</b>								
From Department of Interior		(5,968)		(5,968)		(5,968)		
Appropriations Temporarily Reduced		412		412		412		
Appropriations Previously Unavailable		(406)		(412)		(412)		
<b>APPROPRIATION</b>	<b>15</b>	<b>0</b>			<b>15</b>	<b>0</b>		

Established in 1990 under section 1012(a) of the Oil Pollution Act, this fund facilitates oil and hazardous material spill response, as well as assessment and restoration activities for damages to natural resources for which NOAA serves as trustee. The Fund retains sums transferred by responsible parties or government entities for future use. The sources of these funds are settlements and awards by the courts. Receipts from settlements are expected to be \$10.0 million in FY 2018.

## Appropriation: Federal Ship Financing Fund

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$0</b>
Transfers	0	0
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>0</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>0</b>

The Federal Ship Financing Fund is the liquidating account necessary for the collection of premiums and fees of the loan guarantee portfolio that existed prior to FY 1992. Administrative expenses for management of the loan guarantee portfolio were charged to the Federal Ship Financing Fund prior to the enactment of the Federal Credit Reform Act of 1990. Administrative expenses are charged to the ORF account.

## Appropriation: Environmental Improvement and Restoration Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$6,451</b>
Adjustments	0	-4,582
<b>2018 Base</b>	<b>0</b>	<b>1,869</b>
Program Change	0	0
Adjustments	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>1,869</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>	0	\$6,451	0	\$1,869	0	\$1,869	0	\$0
Permanently Reduced		478				139		
<b>APPROPRIATION</b>	<b>0</b>	<b>6,929</b>			<b>0</b>	<b>2,008</b>		

The Environmental Improvement and Restoration Fund (EIRF) was created by the Department of Interior and Related Agencies Appropriations Act of 1998 for the purpose of carrying out marine research activities in the North Pacific. These funds will provide grants to Federal, state, private, or foreign organizations or individuals to conduct research activities on or relating to the fisheries or marine ecosystems in the North Pacific Ocean, Bering Sea, and Arctic Ocean.

## Appropriation: Marine Mammal Unusual Mortality Event Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Estimate</b>	<b>0</b>	<b>\$0</b>
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>0</b>
Program Changes	0	0
<b>2018 Appropriation</b>	<b>0</b>	<b>0</b>

The Marine Mammal Protection Act Section 405 (16 USC 1421d) established the Marine Mammal Unusual Mortality Event Fund. NMFS established the Marine Mammal Health and Stranding Response Program, and its Working Group on Unusual Marine Mammal Mortality Events in response to the death of more than 700 bottlenose dolphins on the East Coast of the United States in 1987-88. This program determines when an unusual mortality event is occurring, and directs responses to such events. NOAA will make available funding from this account to members of the Marine Mammal Stranding Network for costs incurred in investigating the death of marine mammals. To date, Congress has appropriated funding for UMEs on one occasion in 2005. Some of those funds were transferred to the National Fish and Wildlife Foundation (NFWF) since they have the ability to quickly distribute funds within 30 days of invoicing to our partners during a UME. Therefore, at this time there are sufficient funds held at NFWF to meet our expected expenses in FY 2018 and no expenditures from the Marine Mammal Unusual Mortality Event Fund are anticipated.

## Appropriation: Medicare-Eligible Retiree Healthcare Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>	<b>0</b>	<b>\$1,936</b>
Adjustments	0	-333
<b>2018 Base</b>	<b>0</b>	<b>1,603</b>
Program Changes	0	0
<b>2018 Appropriation</b>	<b>0</b>	<b>1,603</b>

### Comparison by Activity

	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
TOTAL APPROPRIATION	0	\$1,936	0	\$1,603	0	\$1,603	0	\$0

This account funds the cost of TRICARE retirement health care benefits accrued by the active duty members of the NOAA Commissioned Corps. The Ronald W. Reagan National Defense Authorization Act for 2005 (P.L. 108-375) provided permanent, indefinite appropriations to finance these costs for all uniformed service members.

## Appropriation: Western Pacific Sustainable Fisheries Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$622</b>
Adjustments	0	28
<b>2018 Base</b>	<b>0</b>	<b>650</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>650</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>	0	\$622	0	\$650	0	\$650	0	\$0
Previously Unavailable		(17)				(\$45)		
Permanently Reduced		45				45		
<b>APPROPRIATION</b>	0	650			0	650		

Section 204(e) of the 2006 amendments to the MSA authorizes the establishment of the Western Pacific Sustainable Fisheries Fund. The purpose of this Fund is to allow foreign fishing within the U.S. EEZ in the Western Pacific through a Pacific Insular Area Fishery Agreement. Before entering into such an Agreement, the Western Pacific Fishery Management Council must develop a Marine Conservation Plan that provides details on uses for any funds collected by the Secretary of Commerce. Marine Conservation Plans must also be developed by the Governors of the Territories of Guam and American Samoa and of the Commonwealth of the Northern Mariana Islands and approved by the Secretary or designee.

The Western Pacific Sustainable Fisheries Fund serves as a repository for any permit payments received by the Secretary for foreign fishing within the U.S. EEZ around Johnston Atoll, Kingman Reef, Palmyra Atoll, and Jarvis, Howland, Baker and Wake Islands, sometimes known as the Pacific remote island areas (PRIA). In the case of violations by foreign vessels occurring in these areas, amounts received by the Secretary attributable to fines and penalties are deposited into the Western Pacific Sustainable Fisheries Fund to be used for fisheries enforcement and for implementation of a marine conservation plan. Additionally, any funds or contributions received in support of conservation and management objectives under a Marine Conservation Plan for any Pacific Insular Area other than American Samoa, Guam, or the Northern Mariana Islands are deposited in the Western Pacific Sustainable Fisheries Fund.



**Appropriation: Fisheries Asset Forfeiture Fund**

**Summary of Requirements**

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$3,996</b>
Adjustments	0	4
<b>2018 Base</b>	<b>0</b>	<b>4,000</b>
Program Changes	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>4,000</b>

**Comparison by Activity**

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>	0	\$3,996	0	\$4,000	0	\$4,000	0	\$0
Previously Unavailable		(272)				(\$276)		
Temporarily Reduced		276				276		
<b>APPROPRIATION</b>	<b>0</b>	<b>4,000</b>			<b>0</b>	<b>4,000</b>		

Section 311(e)(1) of the MSA authorizes the Secretary of Commerce to pay certain enforcement-related expenses from fines, penalties, and forfeiture proceeds received for violations of the MSA, MMPA, National Marine Sanctuaries Act, or any other marine resource law enforced by the Secretary. Pursuant to this authority, NOAA has established a Civil Monetary Penalty/Asset Forfeiture Fund (AFF) where these proceeds are deposited. When Congress established the AFF it was deemed appropriate to use these proceeds to offset in part the costs of administering the Enforcement program. Expenses funded through this source include: costs directly related to the storage, maintenance, and care of seized fish, vessels, or other property during a civil or criminal proceeding; expenditures related directly to specific investigations and enforcement proceedings such as travel for interviewing witnesses; enforcement-unique information technology infrastructure; and annual interagency agreement and contract costs for the administrative adjudication process, including Administrative Law Judges.

## Appropriation: Sanctuaries Enforcement Asset Forfeiture Fund

### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$120</b>
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>120</b>
Program Change	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>120</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>	0	\$120	0	\$120	0	\$120	0	\$0
Previously Unavailable		(8)		(8)		(8)		
Temporarily Reduced		8		8		8		
<b>APPROPRIATION</b>	0	120			0	120		

Sanctuaries Enforcement Asset Forfeiture Fund receives proceeds from civil penalties and forfeiture claims against responsible parties, as determined through court settlements or agreements, for violations of NOAA sanctuary regulations. Penalties received are held in sanctuary site-specific accounts from year to year and spent on resource protection within the sanctuary site where the penalty or forfeiture occurred. Funds are expended for resource protection purposes which may include all aspects of law enforcement (from equipment to labor), community oriented policing programs, and other resource protection and management measures such as the installation of mooring buoys or restoration of injured resources.

## Appropriation: North Pacific Observer Fund

### Summary of Requirements

	Summary	
	FTE	Amount
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$3,815</b>
Adjustments	0	35
<b>2018 Base</b>	<b>0</b>	<b>3,850</b>
Program Change	0	0
<b>2018 Mandatory Appropriation</b>	<b>0</b>	<b>3,850</b>

### Comparison by Activity

	2017 Estimate		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>	0	\$3,815	0	\$3,850	0	\$3,850	0	\$0
Previously Unavailable		(231)				(\$266)		
Temporarily Reduced		266				266		
<b>APPROPRIATION</b>	<b>0</b>	<b>3,850</b>			<b>0</b>	<b>3,850</b>		

On January 1, 2013, the restructured North Pacific Groundfish Observer Program (NPGOP) went into effect and made important changes to how observers are deployed, how observer coverage is funded, and the vessels and processors that must have some or all of their operations observed. Coverage levels are no longer based on vessel length and processing volume; rather, NMFS now has the flexibility to decide when and where to deploy observers based on a scientifically defensible deployment plan. The observer program places all vessels and processors in the groundfish and halibut fisheries off Alaska into one of two observer coverage categories: (1) full coverage category and (2) partial coverage.

Vessels and processors in the full coverage category ( $\geq 100\%$  observer coverage) will obtain observers by contracting directly with observer providers. Vessels and processors in the partial coverage category ( $< 100\%$  observer coverage) will no longer contract independently with an observer provider, and will be required to carry an observer when they are selected through the Observer Declare and Deploy System (ODDS). Additionally, landings from all vessels in the partial coverage category will be assessed a 1.25 percent fee on standard ex-vessel prices of the landed catch weight of groundfish and halibut. The fee percentage is set in regulation and will be reviewed periodically by the North Pacific Council after the second year of the program. The money generated by this fee will be used to pay for observer coverage on the vessels and processors in the partial coverage category in the following year.

NMFS expects approximately \$3.9 million to be collected in fees from the FY 2017 season, to be used in FY 2018 for observer coverage.

**Appropriation: Gulf Coast Ecosystem Restoration, Science, Observation, Monitoring and Technology Fund**

**Summary of Requirements**

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 Mandatory Appropriation</b>	<b>0</b>	<b>\$0</b>
Adjustments	0	0
<b>2018 Base</b>	<b>0</b>	<b>0</b>
Program Change	0	0
<b>2018 Appropriation</b>	<b>0</b>	<b>0</b>

The Gulf Coast Ecosystem Restoration Science, Observation, Monitoring and Technology Fund provides funding for the NOAA RESTORE Act Science Program. The purpose of this program is to initiate and sustain an integrative, holistic understanding of the Gulf of Mexico ecosystem and support, to the maximum extent practicable, restoration efforts and the long-term sustainability of the ecosystem, including its fish stocks, fishing industries, habitat, and wildlife through ecosystem research, observation, monitoring, and technology development.

To ensure the best use of resources the Program will coordinate with existing federal and state science and technology programs, including other activities funded under the RESTORE Act. Section 1604 of the RESTORE Act authorized funding for the Program using 2.5 percent of the Gulf Coast Restoration Trust Fund.

## Performance Indicators

The following table shows the NOAA performance Indicators and the related Departmental strategic goals and objectives. Additional details appear at the end of the NOAA section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Environment</b>				
<b>Objective 3.1: Advance the understanding and prediction of changes in the environment</b>				
Annual economic and societal benefits from Sea Grant activities as measured by jobs created/retained (reported by each individual Sea Grant College)	9,600	20,770	20,770	0
Key milestones completed on time for satellites and ship deployments	3	3	2	2
Annual number of peer-reviewed publications related to environmental understanding and prediction	1,500	1,697	1,700	1,100
Number of greenhouse gas emissions studies completed	17	23	N/A	N/A
Percentage of data processed and delivered to the user community	98.5%	99.3%	98.5%	98.5%
U.S. temperature forecasts (cumulative skill score computed over the regions where predictions are made)	25	24	26	26
Annual number of OAR R&D products transitioned to a new stage (s) (development, demonstration or application)	65	65	65	42
Uncertainty of the North American (NA) carbon sink to better understand the contribution of human activities toward increasing atmospheric CO2 and methane	405 Million tons Carbon/Yr	400 Million tons Carbon/Yr	400 Million tons Carbon/Yr	RETIRED
Number of forecast and mission improvements, based on NOAA research, to weather applications at operational US weather services and in the US weather commercial	9	9	9	RETIRED
Number of research and development (R&D) capabilities transitioning to applications (from TRL 8 to TRL 9) to improve efficiency, accuracy, or precision of forecasts	7	4	8	RETIRED
Number of publications that contribute to improved understanding of the climate system	300	847	300	RETIRED
<b>Objective 3.2: Build a Weather-Ready Nation</b>				
Lead time (minutes), accuracy (%) and False Alarm Rate (FAR) (%) for tornado warnings (storm based)	13/72%/71%	9/61%/69%	13/72%/71%	13/72%/71%
Lead time (minutes) and accuracy (%) for flash flood Warnings	61/76%	72/80%	63% / 76%	63/76%
Hurricane forecast track error (48 hour) (nautical miles)	71	61	68	65
Hurricane forecast Intensity error (48 hour) (difference in knots)	12	10	12	12
Accuracy (%) (threat score) of Day 1 precipitation forecasts	32	36	33	33
Lead time (hours) and accuracy (%) for winter storm warnings	20/90%	21/85%	20/90%	20/90%
Accuracy (%) of forecast for marine wind speed / wave height	78/81	80/85	78/81	79/82
Accuracy (%) and False Alarm Rate (%) of forecasts of ceiling and visibility ( 3 miles / 1000 feet) (aviation forecasts)	65/38	63/38	65/38	65 / 38
Geomagnetic storm forecast accuracy (%)	53	68	40	40

	2016		2017	2018
	Target	Actual	Target	Target
<b>Objective 3.3: Strengthen the resiliency of communities and regions</b>				
Percentage of U.S. coastal states and territories demonstrating annual improvement in resilience capacity to weather and climate hazards	60%	74%	66%	TBD
Number of communities that utilize Digital Coast	5,500	5,043	5,500	5,500
Cumulative number of coastal, marine, and Great Lakes issue-based forecasting capabilities developed and used for management	92	91	113	TBD
Annual number of Coastal, Marine, and Great Lakes ecological characterizations that meet management needs	48	48	48	TBD
Percentage of tools, technologies, and information services that are used by NOAA partners / customers to improve ecosystem-based management	91%	100%	91%	91%
Hydrographic survey backlog within navigationally significant areas (square nautical miles surveyed per year)	2,509	3,296	2,287	2,279
Percent of U.S. and territories enabled to benefit from a new national vertical reference system for improved inundation management	53%	55%	62%	70%
Percent of all coastal communities susceptible to harmful algal blooms verifying use of accurate HAB forecasts	18%	18%	23%	23%

**Objective 3.4: Foster healthy and sustainable marine resources, habitats, and ecosystems**

Fish Stock Sustainability Index (FSSI) (cumulative)	758	754	754	763
Percent of stocks for which the catch is below the specified Annual Catch Limit (ACL) (cumulative)	81.0%	90.7%	82.0%	83.0%
Percentage of FSSI fish stocks with adequate population assessments and forecasts (cumulative)	61.3%	62.3%	63.8%	64.8%
Percentage of protected species stocks with adequate population assessments and forecasts (cumulative)	20.7%	19.2%	19.9%	21.3%
Number of protected species designated as threatened, endangered, or depleted with stable or increasing population levels (cumulative)	31	31	30	30
Percentage and number of actions ongoing or completed to recover endangered and threatened species (cumulative)	49.1%	49.2%	26.6%	27.1%
	2,229	2,233	2,575	2,620
Number of Habitat acres restored (annual)	23,922	21,232	11,050	22,100
Annual number of coastal, marine, and Great Lakes habitat acres acquired or designated for long-term protection	1,650	283,384,171	800	800

**Goal: Data****Objective 4.1: Deliver increasing amounts of data to governments, businesses and the public in formats that are easier to access and use**

Number of archival datasets to which permanent, citable Digital Object Identifiers (DOI) have been assigned	40	452	RETIRED	RETIRED
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## Priority Goals

Priority goals are a clear statement of the specific, measurable, ambitious near-term priority targets chosen by the senior leaders of major federal agencies. The Priority goals communicate the performance improvements each agency is trying to accomplish relative to its priorities using existing legislative authority, previously appropriated funds, and funding at levels proposed in the President's FY 2018 Budget. The Priority goals constitute the priority operational targets the agency will work to accomplish within 18 to 24 months of setting the targets. This distinguishes Priority goals from the longer-term targets agencies included in their strategic plans, and the full set of performance goals and Indicators agencies include in the annual plans and reports required by the Government Performance and Results Act (GPRA).

NOAA had the following high priority performance goals for FY 2016 - 2017:

- **Advance Technologies Put Into Practice:** By September 30, 2017, the Department of Commerce will transition twelve (12) research and development (R&D) capabilities to applications (from TRL 8 to TRL 9) to improve efficiency, accuracy, or precision of forecasts to reduce adverse effects of environmental events on people and property. The associated indicators are:
  - Number of research and development (R&D) capabilities transitioning to applications; and,
  - Number of SES performance plans that contain Research to Application (R2A) transitions (contextual).
  - As of Q1 FY 2017, eight of the proposed twelve transitions had occurred. As of Q1 FY 2017, fourteen out of nineteen SES performance plans in the Office of Atmospheric Research included R2A transitions.
- **Improve Forecasting Accuracy and Lead Times for High-Impact and Extreme Weather:** By September 30, 2017, the Department of Commerce will improve the useful lead time of its weather forecast model guidance to 9.5 days which will enable more accurate, consistent, forecasts and warnings for high-impact and extreme weather events. The associated indicator is:
  - Global Ensemble Forecast System (GEFS) Length of Forecast Considered Useful. As of Q1 FY 2017, NOAA had met the goal for this APG, with a length of forecast of 9.63 days.



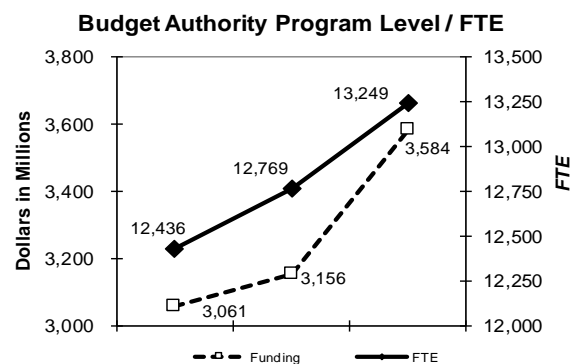


## U.S. Patent and Trademark Office

The mission of the U.S. Patent and Trademark Office (USPTO) is to foster innovation, competitiveness and economic growth, domestically and abroad, by providing high quality and timely examination of patent and trademark applications, guiding domestic and international intellectual property (IP) policy, and delivering IP information and education worldwide.

USPTO accomplishes this mission through its two distinct business lines, Patents and Trademarks, which administer the patent and trademark laws. These laws provide protection to inventors and businesses for their inventions and corporate and product identifications. The laws also encourage innovation and scientific and technical advancement of American industry through the preservation, classification, and dissemination of patent and trademark information. In addition to the examination of applications for patents and trademark registrations, the USPTO provides technical advice and information to federal agencies on IP matters and trade-related aspects of IP rights, and assists foreign governments in establishing regulatory and enforcement mechanisms to meet their international obligations relating to the protection of IP.

In FY 2018, USPTO continues to fulfill its mission by fully supporting the strategic and management priorities of quality, particularly quality examinations through training and guidance; patent pendency and backlog reduction; maintaining trademark pendency; providing domestic and global leadership in IP enforcement; modernizing information technology (IT); and stakeholder and public outreach, including a focus on small business education on obtaining and protecting IP.



## Summary of Appropriations

	2016	2017 CR	2018	Increase
<b>Appropriations</b>	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>(Decrease)</u>
New Offsetting Coll. / Program Level	\$3,063,247	\$3,158,427	\$3,586,193	\$427,766
Fee Collections	(3,063,247)	(3,158,427)	(3,586,193)	(427,766)
<b>Total Appropriation</b>	0	0	0	0
Amounts Temporarily Unavailable for Spending	0	(6,086)	0	6,086
Transfer to IG	(2,100)	(2,000)	(2,000)	0
<b>Budget Authority</b>				
New Offsetting Coll. / Program Level	3,061,147	3,156,427	3,584,193	427,766
Base Fee Collections	(3,063,247)	(3,158,427)	(3,586,193)	(427,766)
Budget Authority Temporarily Unavailable		(6,086)	0	6,086
<b>Total Budget Authority</b>	(2,100)	(8,086)	(2,000)	6,086
<b>FTE</b>	12,436	12,769	13,249	480
<b>Permanent Positions</b>	12,942	13,405	13,438	33

## Highlights of Budget Changes

### Appropriation: Salaries and Expenses

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>FY2017 CR Annualized</b>				<b>-\$6,086</b>
<b>2017 Estimated Fee Collections</b>			<b>12,769</b>	<b>3,158,427</b>
Other Income/Recoveries				29,250
USPTO Funding from Operating Reserve				117,302
<b>Funds currently available, 2017</b>			<b>12,769</b>	<b>3,298,893</b>
FY 2017 Transfer to DOC OIG				-2,000
<b>FY 2017 Base</b>			<b>12,769</b>	<b>3,296,893</b>
<b><u>Adjustments to Base:</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$10,780		
2018 Pay raise		21,336		
Full year cost in 2018 for positions financed for part-year in FY 2017	454	57,246		
Other Compensation Adjustments		32,104		
Civil Service Retirement System (CSRS)		(734)		
Federal Employees' Retirement System (FERS)		1,436		
Thrift Savings Plan		210		
Federal Insurance Contributions Act (FICA) - OASDI		615		
Health insurance		4,308		
Post Retirement Benefits to OPM		4,476		
Travel		126		
Rent payments to GSA		1,773		
Postage		146		
Printing and reproduction		2,679		
Working Capital Fund		(4,566)		
General Pricing Level Adjustment:				
Transportation of things		6		
Rental payments to others		277		
Communications, utilities, and misc. charges		338		
Other services		13,803		
Supplies and materials		840		
Equipment		4,702		
Subtotal, Other Changes			454	151,901
Total Adjustments to Base			454	151,901
<b>2018 Base</b>			<b>13,223</b>	<b>3,448,793</b>
Program Changes			26	52,081
<b>TOTAL REQUIREMENTS</b>			<b>13,249</b>	<b>3,500,874</b>
Total Offsetting Fee Collections				(3,586,193)
Other Income/Recoveries				(29,250)
Transfer to OIG				2,000
USPTO Funding to Operating Reserve				112,569
<b>2018 NET APPROPRIATION</b>			<b>13,249</b>	<b>\$0</b>

**Comparison by Activity**

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / (Decrease)	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>REQUIREMENTS</b>								
Patents	11,532	\$2,983,878	11,917	\$3,118,846	11,906	\$3,174,271	(11)	\$55,425
Trademarks	1,237	\$313,015	1,306	329,947	1,343	326,603	37	(\$3,344)
<b>TOTAL REQUIREMENTS</b>	12,769	3,296,893	13,223	3,448,793	13,249	3,500,874	26	52,081
<b>FINANCING</b>								
Fees		(3,158,427)				(3,586,193)		
Other Income /Recoveries		(29,250)				(29,250)		
USPTO funding to Operating Reserve		(117,302)				112,569		
Subtotal Financing	0	(3,304,979)			0	(3,502,874)		
<b>TOTAL BUDGET AUTHORITY</b>	12,769	(8,086)			13,249	(2,000)		
Budget Authority Temporarily Unavailable		6,086				0		
Transfer to DOC OIG		2,000				2,000		
<b>TOTAL APPROPRIATION</b>	12,769	0			13,249	0		

**Highlights of Program Changes**

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b>Patent Process</b>	11,917	\$3,118,846	-11	+\$55,425

USPTO will continue its focus on patent pendency reduction to achieve overall pendency targets in FY 2019, and achieve an optimal level of working inventory of unexamined patent applications in FY 2018. Budgetary requirements in FY 2018 increase by \$55.4 million due to 1) increases in cross-cutting services to support potential lease changes; to appropriately manage examination records; and address campus security needs, 2) an overall effort to align spending with on-going IT requirements, including investment in the Patent IT Portfolio, which reflects the continued development and deployment of new IT capabilities and continued retirement of specific legacy systems, 3) cost adjustments for patent examiner staffing plans as examination capacity is aligned with incoming workload levels. This includes a net reduction in the number of patent examiners through regular attrition, which will help ensure the agency is not over-staffed as we approach our target pendency and inventory levels.

<b>Trademark Process</b>	1,306	\$329,947	+37	-\$3,344
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The FY 2018 Budget provides resources for examining trademark applications, registering trademarks, maximizing the use of e-government for conducting business with applicants and registrants, and improving trademark practices worldwide. The FY 2018 negative program change is due to a reduction in the year-over-year investment for the Trademark Next Generation (TMNG) IT system and related IT infrastructure and IT support services, which more than offsets the increased cost of additional Trademark staff due to increased workloads. Investment in TMNG will continue, but the activities planned for FY 2018 require a lower level of funding than in FY 2017.

## Performance Indicators

The following table shows the USPTO performance indicators and its related Departmental strategic goals and objectives. Additional details appear at the end of the USPTO section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Trade and Investment</b>				
<b>Objective 1.1: Increase opportunities for U.S. companies by opening markets globally</b>				
Number of Foreign Government Officials Trained on Best Practices to Protect and Enforce Intellectual Property	5,000	4,975	5,000	5,000
<b>Goal: Innovation</b>				
<b>Objective 2.3: Catalyze innovation ecosystems</b>				
Patent average first action pendency (months)	14.8	16.2	14.8	15.1
Patent average total pendency (months)	25.4	25.3	24.8	23.0
Trademark first action pendency (months)	2.5 to 3.5	3.1	2.5 to 3.5	2.5 to 3.5
Trademark average total pendency (months)	12.0	9.8	12.0	12.0
Trademark first action compliance rate	95.5%	97.1%	95.5%	95.5%
Trademark final compliance rate	97.0%	97.8%	97.0%	97.0%
Trademark Exceptional Office Action (Percent)	40.0	45.4	40.0	40.0
Percentage of prioritized countries for which country teams have implemented at least 75 of action steps in the country-specific action plans toward progress in: (1) institutional improvements of IP office administration for advancing IP protection, (2) institutional improvements of IP enforcement entities, (3) improvements in IP laws and regulations, and (4) establishment of government-to-government cooperative mechanisms	75%	100%	75%	75%

# National Institute of Standards and Technology

The National Institute of Standards and Technology (NIST) mission is: To promote U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life. NIST is authorized by the NIST Organic Act (15 USC 271), which outlines major roles for NIST in promoting national competitiveness and innovation.

For more than 110 years, NIST has maintained the national standards of measurement, a role that the U.S. Constitution assigns to the federal government to ensure fairness in the marketplace. NIST was founded in 1901 and is one of the nation's oldest physical science laboratories. Congress established the agency to remove a major challenge to U.S. industrial competitiveness. Today, the NIST Laboratory Programs work at the frontiers of measurement science to ensure that the U.S. system of measurements is firmly grounded on sound scientific and technical principles. Today, the seven NIST Laboratories address increasingly complex measurement challenges, ranging from the very small (nanoscale devices for advanced computing) to the very large (vehicles and buildings), and from the physical resilient infrastructure to the virtual (cybersecurity and the internet of things). As new technologies develop and evolve, NIST's measurement research and services remain critical to national defense, homeland security, trade, and innovation.

The FY 2018 budget request reflects the Administration's priority to rebuild the military, make critical investments in the nation's security, and keep the nation on a responsible fiscal path. For FY 2018, NIST is submitting a total discretionary budget request level of \$725.0 million, a \$237.2 million reduction from the FY 2017 annualized CR level.

NIST accomplishes this mission and addresses its priorities through the following activities:

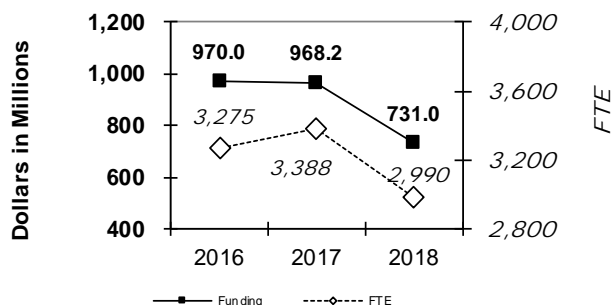
**Scientific and Technical Research and Services (STRS):** The STRS account provides resources for NIST's Laboratory Programs. NIST's Laboratory Programs work at the frontiers of measurement science to ensure the U.S. system of measurements is firmly grounded on sound scientific and technical principles. Discovery, development, refinement, and commercialization relies on the ability to measure key attributes of technology, therefore, measurement research and services remain central to American innovation, productivity, trade, national security, and public safety. The measurement science research at NIST is useful to all science and engineering disciplines that contribute to the productivity and competitiveness of numerous sectors of the American economy. NIST is the only entity in the U.S. that has the mission to deliver the measurement science necessary for U.S. competitiveness and security. NIST is also the best in the world at measurement science research. Ensuring NIST's continued excellence will provide the administration with a critical tool for strengthening American competitiveness.

FY 2018 budget request for STRS is \$600.0 million, an \$88.7 million reduction from the FY 2017 annualized Continuing Resolution (CR) level.

**Industrial Technology Services (ITS):** The ITS FY 2018 budget request is \$21.0 million for two programs, a reduction of \$133.7 million from the FY 2017 Annualized CR Level.

- **Manufacturing USA:** Manufacturing USA (formerly known as the National Network for Manufacturing Innovation) serves to create effective robust manufacturing research infrastructure for U.S. industry and academia to solve industry-relevant problems. The Manufacturing USA consists of linked Institutes for Manufacturing Innovation with common goals, but unique concentrations. In an Institute, industry, academia, and government partners leverage existing resources, collaborate, and co-invest to nurture manufacturing innovation and accelerate commercialization. The FY 2018 budget request for Manufacturing USA is \$15.0 million, a \$10.0 million reduction from the FY 2017 annualized Continuing Resolution (CR) level.
- **Hollings Manufacturing Extension Partnership (MEP):** The FY 2018 budget request proposes to discontinue federal funding for the MEP program. However, \$6.0 million is requested in FY 2018 for the orderly wind down of federal funding for the program.

**Budget Authority and FTE**



**Construction of Research Facilities (CRF):** This appropriation funds NIST construction activities, including maintenance, repair, improvements, and major renovation of facilities occupied or used by NIST in Gaithersburg, Maryland; Boulder and Fort Collins, Colorado; and Kauai, Hawaii striving to meet measurement and research needs for the nation. While some improvements have been made, the current state of facilities and failing infrastructure remain a serious impediment to NIST's ability to have the facilities and infrastructure meet the needs of present day measurement research. The FY 2018 budget request for CRF is \$104.0 million, a \$14.8 million reduction from the FY 2017 annualized Continuing Resolution (CR) level.

## Summary of Appropriations

<b>Appropriation</b>	2016 <u>Actual</u>	2017 <u>Annualized CR</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
Scientific and Technical Research and Services	\$690,000	\$688,688	\$600,000	(\$88,688)
Industrial Technology Services	155,000	154,705	21,000	(133,705)
Construction of Research Facilities	119,000	118,774	104,000	(14,774)
<b>Total Appropriation</b>	<b>964,000</b>	<b>962,167</b>	<b>725,000</b>	<b>(237,167)</b>
Transfers of funds from Election Assistance	1,500	1,497	1,500	3
Transfers of funds from DoJ to OLES / Forensics, STRS	4,500	4,491	4,499	8
<b>Budget Authority</b>				
Scientific and Technical Research and Services	696,000	694,676	605,999	(88,677)
Industrial Technology Services	155,000	154,705	21,000	(133,705)
Construction of Research Facilities	119,000	118,774	104,000	(14,774)
<b>Total Budget Authority</b>	<b>970,000</b>	<b>968,155</b>	<b>730,999</b>	<b>(237,156)</b>
<b>FTE</b>				
Scientific and Technical Research and Services	2,424	2,492	2,155	(337)
Industrial Technology Services	87	97	36	(61)
Construction of Research Facilities	85	110	110	0
Working Capital Fund	679	689	689	0
<b>Total</b>	<b>3,275</b>	<b>3,388</b>	<b>2,990</b>	<b>(398)</b>
<b>Permanent Positions</b>				
Scientific and Technical Research and Services	2,481	2,481	2,144	(337)
Industrial Technology Services	97	98	17	(81)
Construction of Research Facilities	120	116	116	0
Working Capital Fund	638	638	638	0
<b>Total</b>	<b>3,336</b>	<b>3,333</b>	<b>2,915</b>	<b>(418)</b>

## Highlights of Budget Changes

### Appropriation: Scientific and Technical Research and Services

#### Summary of Requirements

	Detailed		Summary	
	FTE	Amount	FTE	Amount
<b>2017 CR Annualization</b>			<b>2,492</b>	<b>\$688,688</b>
<b><u>Adjustments to Base</u></b>				
<b>Adjustments</b>				
Restoration of FY 2017 Deobligation offset				1,000
<b>Financing</b>				
Recoveries of prior year obligations				-1,000
<b>Other Changes</b>				
2017 Pay raise		\$2,968		
2018 Pay raise		4,813		
Civil Service Retirement System (CSRS)		(265)		
Federal Employees' Retirement System (FERS)		506		
Thrift Savings Plan (TSP)		201		
Federal Insurance Contributions Act (FICA) - OASDI		269		
Health insurance		729		
Employees' Compensation Fund		(87)		
Travel - Per Diem		80		
Rent payments to GSA		4		
Postage		1		
Printing and reproduction		12		
Electricity rate decrease		(1,358)		
Natural gas rate decrease		(36)		
National Archives and Records Administration (NARA)		(1)		
Other Services:				
Commerce Business System		(3,501)		
Working Capital Fund (Departmental Management)		(584)		
General Pricing Level Adjustment:				
Transportation of things		26		
Rental payments to others		37		
Communications, utilities and miscellaneous		67		
Other services		1,434		
Supplies and materials		653		
Equipment		937		
Scientific journal subscriptions		210		
Subtotal, other changes			0	7,115
Total, Adjustments to Base			0	7,115
<b>2018 Base</b>			<b>2,492</b>	<b>695,803</b>
Program Changes			-337	-95,803
<b>2018 Appropriation</b>			<b>2,155</b>	<b>600,000</b>

**Comparison by Activity**

	2017 Annualized CR		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUDGET AUTHORITY</b>								
Laboratory Programs								
Strategic & Emerging Research Initiative Fund	46	\$15,845	46	\$16,040	46	\$16,040	0	\$0
National Measurement and Standards Labs	1,844	496,164	1,844	502,521	1,580	440,917	(264)	(61,604)
User Facilities	271	79,997	271	80,945	250	75,389	(21)	(5,556)
Postdoctoral Research Associates Program	97	13,057	97	13,470	97	13,470	0	0
Total Laboratory Programs	2,258	605,063	2,258	612,976	1,973	545,816	(285)	(67,160)
Corporate Services	49	17,278	49	13,985	43	11,263	(6)	(2,722)
Standards Coordination and Special Programs	185	72,335	185	68,842	139	48,920	(46)	(19,922)
<b>TOTAL BUDGET AUTHORITY /</b>	2,492	694,676	2,492	695,803	2,155	605,999	(337)	(89,804)
<b>FINANCING</b>								
Transfers from EAC		(1,497)		0		(1,500)	0	(1,500)
Transfers from DoJ		(4,491)		0		(4,499)	0	(4,499)
<b>TOTAL APPROPRIATION</b>	2,492	688,688	2,492	695,803	2,155	600,000	(337)	(95,803)

**Highlights of Program Changes**

<b>Laboratory Programs</b>	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
	2,258	\$612,976	-285	-\$68,660

The request for laboratory programs is a 13 percent reduction from the FY 2017 Annualized CR and is consistent with the Administration's priority in FY 2018 to redirect domestic discretionary resources for rebuilding the military and making critical investments in the nation's security. The funding for the NIST laboratory programs will be reduced by \$68.7 million and proposes the elimination of 285 employees. Of those employees, 187 of them come from NIST's scientific workforce, a 10 percent reduction in scientists and engineers.

NIST will ensure that the agency maintains a robust core competency in underpinning measurement science so that NIST may continue to provide the measurements and standards necessary to drive innovation in key priority areas, which include advanced manufacturing, communications, quantum science, and cybersecurity. At the same time, NIST will seek to support forward looking measurement science research to ensure it is positioned to meet the challenges of the future. To preserve a core foundation in measurement science, NIST is proposing reductions to programs and projects across the NIST laboratory portfolio, targeting those that are of lower priority for reasons such as technology maturity, sub-critical effort, or where the work no longer requires the leading-edge measurement science capabilities of NIST. The proposed reductions are listed below.

- Advanced Networks, Connected Systems, and Data Science (-\$15.5 million)
- Advanced Materials Manufacturing (-\$8.3 million)
- Semiconductor and Microelectronic Measurements (-\$6.9 million)
- Environmental Measurements (-\$6.6 million)
- Time and Fundamental Measurement Dissemination (-\$6.3 million)
- Cybersecurity (-\$5.9 million)
- Resilience and Structural Engineering (-\$5.9 million)
- Quantum Science (-\$4.1 million)
- Biological Science and Health Measurements (-\$5.4 million)
- User Facilities (-\$3.7 million)



	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
<b><u>Corporate Services</u></b>	49	\$13,985	-6	-\$2,722

Consistent with NIST's priority to focus resources on the laboratory programs, NIST is proposing reductions to the Corporate Services sub program line by approximately 19 percent, a reduction of \$2.7 million dollars. The proposed reductions will streamline management's monitoring of operational metrics and CIO-wide trends potentially increasing risk of service interruptions. Network maintenance will be kept on most critical network components, however less critical systems may experience increased times to respond to network connections and Windows desktop incidents and requests.

<b><u>Standards Coordination and Special Programs</u></b>	185	\$68,842	-46	-\$24,421
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Consistent with NIST's priority to focus resources on the laboratory programs, NIST is proposing reductions to the Standards Coordination and Special Programs sub-program line by 36 percent, a reduction of \$24.4 million dollars. The Standards Coordination and Special Programs sub-program line houses two cross-NIST activities managed by the Associate Director for Laboratory Programs: crosscutting R&D programs, and documentary standards coordination and policy development. The proposed reductions will largely eliminate external R&D partnerships that expand and broaden the impact of the NIST Laboratory R&D programs. They will also eliminate crosscutting R&D program management functions of the Office of Special Programs, leaving the individual NIST laboratories responsible for remaining intramural work to taking on those responsibilities. The proposed reductions are listed below.

- Greenhouse Gas and Climate Measurements (-\$5.8 million)
- NIST Consortium for Semiconductor and Future Computing Research (-\$3.3 million)
- Forensic Science Program Management and Organization of Scientific Area Committees (OSAC) Support (-\$2.7 million)
- Office of Special Programs Management and Program Coordination (-\$4.2 million)
- Standards Coordination Office (-\$4.4 million)
- NIST Center of Excellence Program (-\$4.0 million)

## Appropriation: Construction of Research Facilities

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>110</b>	<b>\$118,774</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
FY 2017 Pay raise		\$122		
FY 2018 Pay raise		191		
Civil Service Retirement System (CSRS)		(11)		
Federal Employees' Retirement System (FERS)		20		
Thrift Savings Plan (TSP)		8		
Federal Insurance Contribution Act (FICA) - OASDI		11		
Health Insurance		29		
Employees' Compensation Fund		(1)		
Electricity rate decrease		(2)		
General pricing level adjustment:				
Communications, utilities, and miscellaneous charges		1		
Other services		644		
Supplies and materials		22		
Equipment		3		
Subtotal, other changes			0	1,037
Total Adjustments to Base			0	1,037
<b>2018 Base</b>			<b>110</b>	<b>119,811</b>
Program Changes			0	-15,811
<b>2018 APPROPRIATION</b>			<b>110</b>	<b>104,000</b>

### Comparison by Activity

	2017 Annualized CR		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
Safety, Capacity, Maintenance and Major Repairs	110	\$118,774	110	\$119,811	110	\$104,000	0	(\$15,811)
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	110	118,774	110	119,811	110	104,000	0	(15,811)

### Highlights of Program Changes

<u>Construction of Research Facilities</u>	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	110	\$119,811	0	-\$15,811

NIST proposes a decrease in the amount of \$15.811 million to reduce the SCMMR (Safety, Capacity, Maintenance, and Major Repairs) program to \$44.0 million for FY 2018. This reduction will result in an increased backlog of deferred maintenance and only allow NIST to carry out the highest priority infrastructure repairs and patches thus increasing the risk of system outages and unstable environmental conditions within the laboratories.

## Appropriation: Industrial Technology Services

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>97</b>	<b>\$154,705</b>
<b><u>Adjustments to Base</u></b>				
<b><u>Adjustments</u></b>				
<b>Other Changes</b>				
2017 Pay raise		\$115		
2018 Pay raise		198		
Civil Service Retirement System (CSRS)		(11)		
Federal Employees' Retirement System (FERS)		21		
Thrift Savings Plan (TSP)		8		
Federal Insurance Contribution Act (FICA) - OASDI		11		
Health Insurance		30		
Employees' Compensation Fund		(2)		
Travel - Per Diem		4		
Electricity rate decrease		(76)		
Natural Gas rate decrease		(2)		
General pricing level adjustment:				
Communications, utilities, and miscellaneous charges		3		
Other services		154		
Supplies and materials		6		
Equipment		8		
Subtotal, other changes			0	467
Total Adjustments to Base			0	467
<b>2018 Base</b>			<b>97</b>	<b>155,172</b>
Program Changes			-61	-134,172
<b>2018 APPROPRIATION</b>			<b>36</b>	<b>21,000</b>

### Comparison by Activity

	2017 Annualized CR		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>BUDGET AUTHORITY</b>								
Hollings Manufacturing Extension Partnership Program	80	\$129,753	80	\$130,107	19	\$6,000	(61)	(\$124,107)
Manufacturing USA	17	24,952	17	25,065	17	15,000	0	(10,065)
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	<b>97</b>	<b>154,705</b>	<b>97</b>	<b>155,172</b>	<b>36</b>	<b>21,000</b>	<b>(61)</b>	<b>(134,172)</b>

### Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b><u>Hollings Manufacturing Extension Partnership(MEP)</u></b>	80	\$130,107	-61	-\$124,107

The FY 2018 budget eliminates federal funding for the Manufacturing Extension Partnership (MEP). The FY 2018 budget requests \$6.0 million for MEP to cover the anticipated costs associated with winding down the program.

<b><u>Manufacturing USA</u></b>	17	\$25,065	0	-\$10,065
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The request provides funds for federal investment in the Manufacturing USA program, which serves to increase U.S. global competitiveness by creation of an effective public-private manufacturing research infrastructure for U.S. industry and academia to solve industry-relevant problems. The request includes \$10.0 million in discretionary funds to continue support for the National Institute for Innovation in Manufacturing Biopharmaceuticals, consistent with the planned level of \$70 million over the five-year start-up period as well as \$5 million for the coordination of the network of manufacturing institutes.

### Appropriation: Working Capital Fund

#### Comparison by Activity

	2017 Annualized CR		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>TOTAL BUDGET AUTHORITY /</b>	689	\$0	689	\$0	689	\$0	0	\$0
<b>APPROPRIATION</b>								

### Public Safety Communications Research Fund (PSCRF)

As previously stated, NIST will continue to execute mandatory resources provided in FY 2017 through the NIST Public Safety Communications Research Fund to help develop cutting-edge wireless technologies for public safety users, as part of the National Wireless Initiative included in the Middle Class Tax Relief and Job Creation Act of 2012.

## Performance Indicators

The following table shows the NIST performance indicators and the related Departmental strategic goals and objectives. Additional details appear at the end of the NIST section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Innovation</b>				
<b>Objective 2.1: Accelerate advanced manufacturing</b>				
Number of businesses using NIST research facilities	275	435	325	325
Citation impact of NIST peer-reviewed publications	1.5	1.8	1.5	1.6
Level of co-investment by non-federal sources in NNMI institutes (millions)	New		\$6	\$15
Number of firms receiving in-depth technical assistance from MEP centers	8,986	8,921	9,187	Retired
Percentage of MEP clients receiving in-depth technical assistance that increase their competitiveness	63%	60%	64%	Retired
<b>Objective 2.2: Strengthen the nation's digital economy</b>				
Number of critical infrastructure sectors with work products integrating the Cybersecurity Framework	13	16	14	Retired
Number of Public safety communications stakeholder R&D roadmap	2	2	3	Retired
<b>Objective 2.3: Catalyze innovation ecosystems</b>				
Number of MEP centers partnering with skills training providers (e.g., community colleges) to link manufacturing firms with skills training resources	53	53	48	Retired
<b>Goal: Environment</b>				
<b>Objective 3.3: Strengthen the resiliency of communities and regions</b>				
Number of Communities working with NIST to pilot the <i>Community Resilience Planning Guide</i>	3	3	6	7



## National Technical Information Service

The mission of the National Technical Information Service is to provide innovative data services to federal agencies, through agile partnerships with the private sector, to advance federal data priorities, promote economic growth, and enable operational excellence. Moving quickly, bringing industry-leading partners to government agency customers at the velocity of the government's needs. NTIS reports to the Secretary of Commerce through the National Institute of Standards and Technology. NTIS operates a revolving fund for the payment of all expenses incurred.

NTIS' mission priorities are to:

- Design, test, analyze, and demonstrate the application of Federal data and data services, either alone or in some combination with non-Federal data
- Leverage the private sector's knowledge and expertise in managing data and data sets
- Help create suites of products, platforms and services that meet the needs of businesses, innovators, government agencies or others
- Enhance data discovery, usability, interoperability, standards, analytics, and forecasting, or data infrastructure and security

In FY 2018, NTIS continues to fulfill its mission by providing innovative data services aligned with its data mission.

### Summary of Appropriations

<u>Appropriation</u>	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
NTIS Revolving Fund	\$0	\$0	\$0	\$0
<b>FTE</b>	101	150	150	0
<b>Permanent Positions</b>	200	200	200	0

### Highlights of Budget Changes

#### Appropriation: Salaries and Expenses

##### Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>	<b>150</b>	<b>\$0</b>
Adjustments to Base	0	0
<b>2018 Base</b>	<b>150</b>	<b>0</b>
Program Changes	0	0
<b>2018 APPROPRIATION</b>	<b>150</b>	<b>0</b>

## Performance Indicators

The following table shows the NTIS performance indicators and its related Departmental strategic goal and objective. Additional details appear at the end of the NTIS section of the Department of Commerce budget.

	2016		2017	2018
	Target	Actual	Target	Target
<b>Goal: Data</b>				
<b>Objective 4.1:</b> Transform the Department's data capacity to enhance the value , accessibility and usability of Commerce data for government, business and the public.				
Number of updated items available (annual)	440,750	44,371	451,769	463,063
Number of information products disseminated (annual)	53,900,000	1,089,730	54,900,000	55,900,000
Customer satisfaction	95% - 98%	97.5%	95% - 98%	95% - 98%



# National Telecommunications and Information Administration

The mission of the National Telecommunications and Information Administration (NTIA) is to advise the President on communication and information policy. NTIA accomplishes this mission through the following activities within the **Salaries and Expenses (S&E) account** which focus on NTIA's core programs:

- Domestic and International Policies;
- Spectrum Management;
- Advanced Communications Research; and
- Broadband Programs.

NTIA's mission priorities include:

- Developing domestic and international communications and information policy for the executive branch;
- Ensuring the efficient and effective management and use of spectrum by federal agencies;
- Performing state-of-the-art communications research, engineering, and planning;
- Administering and managing broadband grant programs; and
- Establishing a nationwide interoperable public safety broadband network.

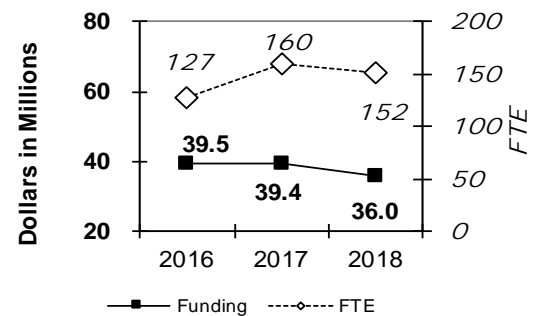
In FY 2018, NTIA continues to fulfill its mission by continuing to develop, implement, and advocate policies positioning the U.S. to meet growing complexities and political challenges related to Internet governance and the digital economy, Internet openness, Internet intermediaries, interoperability, privacy, security, resiliency, and Internet standard setting activities. NTIA seeks to advance inclusive multistakeholder methods of developing information policy and preserve an open, interconnected global Internet that supports continued innovation and economic growth, investment, and the trust of its users. NTIA will also help coordinate federal agencies' transition to Internet protocol (IP) technology with the communications industry and support modernization of mutual legal assistance treaties through outreach to key foreign governments and online industry participants in the U.S.

NTIA's FY 2018 Budget will also continue efforts to make available additional spectrum for commercial wireless broadband. While continuing to oversee federal usage of spectrum government-wide, NTIA will focus attention on advancing a comprehensive strategy for spectrum improvement and innovation based on sharing spectrum between industry and agencies. NTIA's role has been significantly expanded by the Spectrum Pipeline Act of 2015 by mandating the oversight and support of a technical panel of experts appointed by NTIA, OMB and the FCC. The panel will assess agency funding proposals for research and development, engineering studies, economic analyses intended to identify additional federal spectrum for potential relocation or sharing to enable increased wireless broadband services.

In addition, NTIA will leverage cutting-edge research and testing capabilities to advance efficient use of spectrum and spectrum sharing by strengthening its research, testing, and information-sharing infrastructure. This effort is conducted at the Center for Advanced Communications in Boulder, Colorado, in partnership with the National Institute of Standards and Technology (NIST). This partnership aligns the capabilities of both organizations to accelerate research, development, and deployment of innovative technologies and information sharing among industry and government.

There continues to be a pent-up demand for technical assistance and hands-on guidance in bringing broadband capabilities to American communities across the nation. In FY 2018, NTIA will continue respond to high levels of demand for its technical services and continue its broadband leadership efforts by partnering with many unserved and underserved communities. The BroadbandUSA program provides technical and administrative expertise to communities, helping them to address challenges—including infrastructure financing, coalition building, broadband adoption, engineering challenges, project management, fee development, and billing management—that often cut short very promising broadband projects. Our strategy capitalizes on NTIA's strong relationships with broadband providers, municipal organizations, innovation economy firms, non-profit organizations, foundations, and other federal stakeholders. NTIA will provide tools to advance community projects so that they can attract new business investments and spur economic growth.

**Budget Authority and FTE**



## Summary of Appropriations

Appropriation	2016	2017 CR	2018	Increase
	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>(Decrease)</u>
Salaries and Expenses	\$39,500	\$39,426	\$36,000	(\$3,426)
<b>Total Appropriation / Budget Authority</b>	<b>39,500</b>	<b>39,426</b>	<b>36,000</b>	<b>(3,426)</b>
<b>FTE</b>	<b>127</b>	<b>160</b>	<b>152</b>	<b>(8)</b>
<b>Permanent Positions</b>	<b>160</b>	<b>160</b>	<b>152</b>	<b>(8)</b>

## Highlights of Budget Changes

### Appropriation: Salaries and Expenses

#### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>160</b>	<b>\$39,426</b>
<b><u>Adjustments to Base</u></b>				
<b>Other Changes</b>				
FY 2017 Pay Raise		\$180		
FY 2018 Pay Raise		284		
Civil Service Retirement System (CSRS)		(15)		
Federal Employees' Retirement System (FERS)		29		
Thrift Savings Plan		4		
Federal Insurance Contributions Act (FICA) - OASDI		30		
Health insurance		38		
Rent payments to GSA		26		
Postage		1		
Printing and reproduction		1		
NARA		3		
Working Capital Fund		65		
General Pricing Level Adjustment:				
Communications, utilities, and miscellaneous charges		2		
Other services		65		
Supplies and materials		4		
Equipment		45		
Subtotal, other changes			0	762
Total Adjustments to Base			0	762
<b>2018 Base</b>			<b>160</b>	<b>40,188</b>
Program Changes			-8	-4,188
<b>2018 APPROPRIATION</b>			<b>152</b>	<b>36,000</b>

## Comparison by Activity

BUDGET AUTHORITY	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Domestic & International Policies	35	\$9,076	35	\$9,245	35	\$8,402	0	(\$843)
Spectrum Management	39	8,472	39	8,472	39	8,472	0	0
Advanced Communications Research	50	10,056	50	10,286	47	8,805	(3)	(1,481)
Broadband Programs	36	11,822	36	12,185	31	10,321	(5)	(1,864)
<b>TOTAL BUDGET AUTHORITY /</b>	<b>160</b>	<b>39,426</b>	<b>160</b>	<b>40,188</b>	<b>152</b>	<b>36,000</b>	<b>(8)</b>	<b>(4,188)</b>

## Highlights of Program Changes

<u>Domestic and International Policies</u>	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
	35	\$9,245	0	-\$843

The world is becoming more interconnected with the rapid growth of the Internet and the globalization of information technology services and equipment. As the Internet matures and expands internationally, threats to its openness have increased. NTIA is the only agency in the Executive Branch with the mission to advise the President on these critical national and international issues--from cybersecurity and net neutrality to targeted ads, big data, and Internet governance. Utilizing the multistakeholder process, which involves the full inclusion of stakeholders to reach general consensus, NTIA will assess increasingly complex information policy issues. In turn, the United States will be better positioned to influence national and international policy to advance U.S. economic and foreign policy objectives, preserve the Internet's openness, and maintain the internet's cultural and economic potentials; and to strengthen the interagency policy development process to advance economic growth while protecting citizens and consumers.

<u>Advanced Communications Research</u>	50	\$10,286	-3	-\$1,481
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NTIA's research facility in Boulder, CO, is recognized as one of the world's leading telecommunications research laboratories. Research conducted there is a critical component in NTIA's development of policies to support more efficient use of the nation's radio spectrum resources, including new approaches to dynamic spectrum-sharing, and promotes Administration positions in national and international standards-setting bodies. Additionally, using the tools and techniques developed under direct-funded research, the laboratory solves telecommunications problems, such as interference resolution, on a cost-reimbursable basis for other Federal agencies and for private entities.

<u>Broadband Programs</u>	36	\$11,996	-5	-\$1,864
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BroadbandUSA assists, educates and convenes government, community and industry leaders working together to advance broadband initiatives and policy. Leveraging years of hands-on experience providing assistance to communities developing broadband infrastructure and digital inclusion programs, NTIA staff offer extensive technical support in planning, funding (e.g., public-private partnerships) and implementing broadband infrastructure and digital inclusion projects. BroadbandUSA serves as a trusted and neutral strategic advisor, working with public and private sector partners to assess local broadband needs and gaps; identify possible funding and other resources; and plan network infrastructure projects and digital inclusion programs. BroadbandUSA is necessary to ensure assistance is available to American communities, especially in rural areas.

## **Appropriation: Public Telecommunications Facilities, Planning and Construction**

This program has been discontinued. NTIA is authorized to use recoveries and unobligated balances of funds previously appropriated to administer all open grants until their expiration.

### ***Public Safety Broadband Network***

The Middle Class Tax Relief Act of 2012, P.L.112-96, established the Public Safety Trust Fund (PSTF), the Network Construction Fund, and the State and Local Implementation Fund and provided \$7 billion to establish a nationwide interoperable public safety broadband network for first responders. The investment is now supported by proceeds from specified spectrum auctions conducted by the Federal Communications Commission (FCC), with all proceeds net of certain costs deposited into the PSTF. Funding will be expended in support of programs specified in the Act, including the development of the public safety broadband network in the 700 MHz band and research and development of standards, technologies, and applications to advance wireless public safety and communications.

The Act also provided \$135 million for a grant program to assist State, regional, tribal, and local jurisdictions to identify, plan, and implement the most efficient, effective way to utilize and integrate the infrastructure, equipment, and other architecture associated with the nationwide public safety broadband network.

## Summary of Appropriations

### Appropriation, Mandatory

	2016 <u>Actual</u>	2017 <u>Estimate</u>	2018 <u>Estimate</u>	Increase <u>(Decrease)</u>
<b>Public Safety Trust Fund</b>				
Appropriation (Special or Trust Fund)	\$315,000	\$0	\$0	\$0
Appropriation prev. unavail	372,000	21,420	0	(21,420)
Transfer to Treasury (Deficit Reduction)	0	0	0	0
Appropriations Temporarily Reduced	(21,420)	0	0	0
<b>Mandatory Appropriation</b>	<b>665,580</b>	<b>21,420</b>	<b>0</b>	<b>(21,420)</b>
<b>State and Local Implementation Fund</b>				
Offsetting Collections (Receipts from Public Safety Trust Fund)	0	0	0	0
Spending Authority from offsetting collections applied to repay debt	0	0	0	0
Spending authority from offsetting collections substituted for borrowing authority	0	0	0	0
<b>Spending Authority from offsetting collections</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Network Construction Fund</b>				
Offsetting Collections (Receipts from Public Safety Trust Fund)	366,269	14,228	20,000	5,772
<b>Spending Authority from offsetting collections</b>	<b>366,269</b>	<b>14,228</b>	<b>20,000</b>	<b>5,772</b>
<b>First Responder Network Authority</b>				
Offsetting Collections (Fees transferred by network partner)	0	0	80,000	80,000
Spending Authority from offsetting collections	0	0	80,000	80,000
<b>FTE</b>				
Public Safety Trust Fund	56	78	68	(10)
State and Local Implementation Fund	7	7	7	0
Network Construction Fund	115	183	51	
First Responder Network Authority	0	0	121	121
<b>Total</b>	<b>178</b>	<b>268</b>	<b>247</b>	<b>111</b>
<b>Permanent Positions</b>				
Public Safety Trust Fund	56	78	0	(78)
State and Local Implementation Fund	7	7	0	(7)
Network Construction Fund	115	183	51	(132)
First Responder Network Authority	0	0	121	121
<b>Total</b>	<b>178</b>	<b>268</b>	<b>172</b>	<b>(96)</b>

## Highlights of Budget Changes

### Appropriation: Public Safety Trust Fund

#### Summary of Requirements

<b>2017 Estimate</b>	<u>FTE</u>	<u>Amount</u>
	<b>0</b>	<b>\$21,420</b>
Adjustments to Base		0
<b>2018 Base</b>	<b>0</b>	<b>21,420</b>
Program Changes	0	-21,420
<b>2018 Mandatory Budget Authority</b>	<b>0</b>	<b>\$0</b>

#### Comparison by Activity

BUDGET AUTHORITY	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Public Safety Trust Fund	0	\$0	0	\$0	0	\$0	0	\$0
First Responder Network Authority	0	0	0	0	0	0	0	0
NTIA Programmatic and Oversight	0	0	0	0	0	0	0	0
NIST Public Safety Wireless Research	0	13,600	0	13,600	0	0	0	(13,600)
Next Generation E-911 (DOT)	0	7,820	0	7,820	0	0	0	(7,820)
Next Generation E-911 (NTIA)	0	0	0	0	0	0	0	0
<b>TOTAL BUDGET AUTHORITY / APPROPRIATION</b>	<b>0</b>	<b>21,420</b>	<b>0</b>	<b>21,420</b>	<b>177</b>	<b>0</b>	<b>177</b>	<b>(21,420)</b>

#### Highlights of Program Changes

<u>Public Safety Trust Fund</u>	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	0	\$21,420	0	-\$21,420

The Act established FirstNet to develop a nationwide interoperable public safety broadband network in the 700 MHz band. This fund will be administered in support of programs included in the Act, including development of the public safety broadband network and research and development of standards, technologies, and applications to advance wireless public safety and communications. NTIA borrowed \$2 billion in FY 2014 as authorized by the Act. Also in FY 2014 the FCC transferred \$1.2 billion in auction proceeds from the H block auction to the PSTF. In FY 2015 the FCC transferred \$19 billion from the Advanced Wireless Services 3 (AWS-3) auction. This amount enabled full re-payment of all funds borrowed from Treasury by NTIA for FirstNet start-up costs and NTIA programmatic and oversight responsibilities. It also allowed start-up funding for public safety communications research at NIST and payment to Treasury of \$12.6 billion for deficit reduction.

In FY 2016 an additional \$8.4 billion in funding from the AWS-3 auction was transferred to the PSTF from the FCC. This amount enabled NTIA to fulfill the remaining requirements of the law as outlined in Section 6413 transfer an additional \$7.8 billion to the Department of Treasury for deficit reduction; transfer an additional \$200 million to NIST for public safety communications research, transfer \$112 million to the Department of Transportation and \$3 million for NTIA for their joint work on the NG-911 program; and begin investment of \$333 million in remaining funds in Treasury securities.

## Appropriation: State and Local Implementation Fund

### Comparison by Activity

	CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>REIMBURSABLE OBLIGATIONS</b>								
State and Local Implementation Program	7	\$2,957	7	\$2,957	7	\$1,766	0	(\$1,191)
<b>TOTAL REIMBURSABLE OBLIGATIONS</b>	7	2,957	7	2,957	7	1,766	0	(1,191)
<b>FINANCING</b>								
Unobligated balance, start of year (Reimbursable)		4,726				1,769		
Offsetting collections from:								
Federal funds		0				0		
Non-Federal sources		0						
Subtotal, financing	0	4,726			0	1,769		
<b>TOTAL /MANDATORY BUDGET AUTHORITY (offsetting collections)</b>	0	1,769			0	3		

Auction proceeds were transferred from the Public Safety Trust Fund in FY 2015. Within guidelines established in the Act, NTIA repaid all borrowings for the State and Local Implementation Fund and funded costs related to administering grants previously awarded.

## Mandatory Funds: Network Construction Fund

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>REIMBURSABLE OBLIGATIONS</b>								
First Responder Network	179	\$6,574,058	179	\$6,574,058	48	\$20,000	(131)	(\$6,554,058)
NTIA/Opt-out	4	3,583	4	3,583	3	2,006	(1)	(1,577)
<b>TOTAL REIMBURSABLE OBLIGATIONS</b>	183	6,577,641	183	6,577,641	51	22,006	(132)	(6,555,635)
<b>FINANCING</b>								
Unobligated balance, start of year (Reimbursable)		6,595,214				31,801		
Offsetting collections from:								
Federal funds		14,228				20,000		
Non-Federal sources		0						
Subtotal, financing	0	31,801			0	51,801		
<b>TOTAL /MANDATORY BUDGET AUTHORITY (offsetting collections)</b>	183	14,228			51	20,000		

### Highlights of Program Changes

<b>Network Construction Fund</b>	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
	183	\$6,577,641	-132	-\$6,556,635

Auction proceeds deposited into the PSTF were transferred to this account to cover FirstNet and NTIA costs related to building, operating, and maintaining the Public Safety Broadband Network.

## Mandatory Funds: First Responder Network Authority

### Comparison by Activity

	2017 CR Annualization		2018 Base		2018 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>REIMBURSABLE OBLIGATIONS</b>								
First Responder Network	0	\$0	0	\$0	121	\$50,000	121	\$50,000
<b>TOTAL REIMBURSABLE OBLIGATIONS</b>	0	0	0	0	121	50,000	121	50,000
<b>FINANCING</b>								
Unobligated balance, start of year (Reimbursable)		0				0		
Offsetting collections from:								
Federal funds		0				80,000		
Non-Federal sources		0						
Subtotal, financing	0	0			121	80,000		
<b>TOTAL /MANDATORY BUDGET AUTHORITY (offsetting collections)</b>	0	0			121	80,000		

### Highlights of Program Changes

<b>First Responder Network Authority</b>	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
	0	\$0	121	+\$80,000

The Middle Class Tax Relief and Job Creation Act of 2012 created the First Responder Network Authority to manage the construction, deployment, and operations of a nationwide, interoperable public safety broadband network (NPSBN) for use by public safety entities. FirstNet is an independent entity within the Department of Commerce's National Telecommunications and Information Administration and is overseen by a 15-member Board comprised of representatives from the first responder community, Federal Agencies and the private sector. Initial funding for this activity was provided by spectrum auction receipts. The Act authorizes FirstNet to charge and collect fees for use of network capability as well as use of the network and infrastructure to create a sustainable funding source for future operations. The amounts presented in the budget schedules for this account for FY 2018 reflect estimates of receipts from fees. Actual funding will be determined through FirstNet's National Public Safety Broadband Network contract award and the statutorily mandated state opt-out process. Funding will partially support several aspects of FirstNet's mission post NPRBN contract award. It will fund a portion of FirstNet's annual operating requirements and efforts to enhance public safety communications.



## Performance Indicators

The following table shows the NTIA performance indicators and the related Departmental strategic goals and objectives. Additional details appear at the end of the NTIA section of the Department of Commerce budget.

	2016 Target	2016 Actual	2017 Target	2018 Target
<b>Goal: Trade and Investment</b>				
<b>Objective 1.1: Increase opportunities for U.S. companies by opening markets globally.</b>				
Percentage of NTIA positions substantially adopted or successful at international meetings	75%	95%	75% of NTIA positions substantially adopted or successful at international meetings	75% of NTIA positions substantially adopted or successful at international meetings

### Goal: Innovation

**Objective 2.3: Strengthen the Nation's digital economy by championing policies that will maximize the potential of the Internet, expanding broadband capacity, and enhancing cybersecurity.**

Identify up to 500 MHz of spectrum to support wireless broadband	Meet 66% of milestones regarding the identification of 500 MHz for wireless broadband	100%	Meet 66% of milestones regarding the identification of 500 MHz for wireless broadband	Meet 66% of milestones regarding the identification of 500 MHz for wireless broadband
In coordination with DOC operating units, conduct outreach activities with government, industry, and multistakeholder groups to identify and address privacy and global free flow of information issues	6 public forums and proceedings	10	6 public forums and proceedings	10
Number of government and private test-bed facilities partnering with the Center for Advanced Communications	2	4	5	6
Number of times research publications are downloaded annually	7,500	8,800	8,500	9,000
Successfully completed deliverables under reimbursable agreements (on time, on budget, and accepted)	95%	98%	95%	95%
Delivery by FirstNet and acceptance of each state's network plans or, alternatively, FCC approval of a state's plan required for the implementation of the National Public Safety Broadband Network (NPSBN)	Issue RFPs	Developed and issued final NPSBN RFP and continued conducting evaluation of responses received by RFP	Complete RFP process. Award NPSBN contract. Issue State Plans to 56 U.S. States and Territories	Monitor and assist in deployment of



## Department of Commerce Funding and Employment

	<u>2016 Actual</u>	<u>2017 CR Annualization</u>	<u>2018 Estimate</u>	<u>Increase (Decrease)</u>
<b>BUDGET AUTHORITY</b>				
Discretionary	\$9,281,577	\$9,239,589	\$7,795,301	(\$1,444,288)
Mandatory	930,288	292,917	246,858	(46,059)
<b>TOTAL BUDGET AUTHORITY</b>	<b>10,211,865</b>	<b>9,532,506</b>	<b>8,042,159</b>	<b>(1,490,347)</b>
 <b>OUTLAYS, NET</b>				
Discretionary	7,933,801	8,091,610	7,287,238	(804,372)
Mandatory	(16,501,733)	1,440,252	1,537,326	97,074
<b>TOTAL OUTLAYS, NET</b>	<b>(8,567,932)</b>	<b>9,531,862</b>	<b>8,824,564</b>	<b>(707,298)</b>
 <b>FULL-TIME EQUIVALENT EMPLOYMENT</b>				
	39,336	42,335	41,555	(780)
 <b>PERMANENT POSITIONS</b>				
	35,952	38,158	37,481	(677)

## Budget Authority — FY 2016, FY 2017 and FY 2018

	2016	2017 CR	2018	Change
	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>2017 - 2018</u>
<b><u>DISCRETIONARY</u></b>				
Departmental Management	\$58,000	\$57,890	\$63,000	\$5,110
HCHB Renovation and Modernization	19,062	19,026	1,000	(18,026)
Subtotal, Departmental Management	77,062	76,916	64,000	(12,916)
Office of the Inspector General	36,853	36,853	37,882	1,029
Economic Development Administration	261,000	251,000	(17,000)	(268,000)
Bureau of the Census	1,378,449	1,365,848	1,494,420	128,572
Economic & Statistical Analysis	109,000	108,793	97,000	(11,793)
International Trade Administration	495,000	495,188	460,500	(34,688)
Bureau of Industry & Security	112,500	112,500	113,500	1,000
Minority Business Development Agency	32,000	32,000	6,000	(26,000)
National Oceanic & Atmospheric Administration	5,772,213	5,760,996	4,774,000	(986,996)
United States Patent & Trademark Office	(2,000)	(8,086)	(2,000)	6,086
National Institute of Standards & Technology	970,000	968,155	730,999	(237,156)
National Technical Information Service	0	0	0	0
National Telecommunications & Information Administration	39,500	39,426	36,000	(3,426)
<b>TOTAL, DISCRETIONARY</b>	<b>9,281,577</b>	<b>9,239,589</b>	<b>7,795,301</b>	<b>(1,444,288)</b>
<b><u>Offsetting receipts:</u></b>				
NOAA: Fisheries finance, negative subsidy	(2,199)	(390)	(2,762)	(2,372)

## Budget Authority — FY 2016, FY 2017 and FY 2018

	2016	2017 CR	2018	Change
	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>2017 - 2018</u>
<b><u>MANDATORY</u></b>				
Departmental Management	\$5,316	\$3,500	\$3,500	\$0
Bureau of the Census	30,000	30,000	30,000	0
National Oceanic & Atmospheric Administration	230,752	239,396	213,358	(26,038)
National Telecommunications & Information Admin.	665,580	21,420	0	(21,420)
<b>SUBTOTAL, MANDATORY</b>	<b>931,648</b>	<b>294,316</b>	<b>246,858</b>	<b>(47,458)</b>
<u>Mandatory Sequestered</u>				
Bureau of the Census	(1,360)	(1,399)	0	1,399
<b>TOTAL MANDATORY</b>	<b>930,288</b>	<b>292,917</b>	<b>246,858</b>	<b>(46,059)</b>
<b>TOTAL DEPARTMENT OF COMMERCE</b>	<b>10,211,865</b>	<b>9,532,506</b>	<b>8,042,159</b>	<b>(1,490,347)</b>

## Outlays — FY 2016, FY 2017 and FY 2018

	2016	2017 CR	2018	Change
<b><u>DISCRETIONARY</u></b>	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>2017 - 2018</u>
Departmental Management	\$65,000	\$69,000	\$69,000	\$0
Office of the Inspector General	39,000	39,000	38,000	(1,000)
Economic Development Administration	294,000	234,000	314,000	80,000
Bureau of the Census	256,000	276,000	246,000	(30,000)
Economic & Statistical Analysis	111,000	112,000	98,000	(14,000)
International Trade Administration	478,000	462,000	436,000	(26,000)
Bureau of Industry & Security	105,000	128,000	119,000	(9,000)
Minority Business Development Agency	29,000	32,000	17,000	(15,000)
National Oceanic & Atmospheric Administration	5,502,000	5,485,000	5,175,000	(310,000)
United States Patent & Trademark Office	123,000	102,000	(124,000)	(226,000)
National Institute of Standards & Technology	920,000	1,077,000	852,000	(225,000)
National Technical Information Service	2,000	(28,000)	(10,000)	18,000
National Telecommunications & Information Administration	12,000	104,000	60,000	(44,000)
Offsetting receipts:				
NOAA: Fisheries finance, negative subsidy	(2,199)	(390)	(2,762)	(2,372)
<b>TOTAL, DISCRETIONARY</b>	<b>7,933,801</b>	<b>8,091,610</b>	<b>7,287,238</b>	<b>(804,372)</b>

## Outlays — FY 2016, FY 2017 and FY 2018

	2016	2017 CR	2018	Change
	<u>Actual</u>	<u>Annualization</u>	<u>Estimate</u>	<u>2017 - 2018</u>
<b><u>MANDATORY</u></b>				
Departmental Management	\$5,000	\$5,000	\$4,000	(\$1,000)
Economic Development Administration	1,000	(1,000)	(1,000)	0
Bureau of the Census	28,000	18,000	30,000	12,000
National Oceanic & Atmospheric Administration	138,000	281,000	298,000	17,000
National Institute of Standards & Technology	(165,000)	42,000	65,000	23,000
National Telecommunications & Information Admin.	388,000	1,118,000	1,168,000	50,000
Subtotal	395,000	1,463,000	1,564,000	101,000
Offsetting receipts	(16,896,733)	(22,748)	(26,674)	(3,926)
<b>TOTAL MANDATORY</b>	(16,501,733)	1,440,252	1,537,326	97,074
<b>TOTAL DEPARTMENT OF COMMERCE</b>	(8,567,932)	9,531,862	8,824,564	(707,298)

## Full-Time Equivalent Employment — FY 2016, FY 2017 and FY 2018

	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Change <u>2017 - 2018</u>
Departmental Management	744	692	712	20
Office of the Inspector General	167	177	177	0
Economic Development Administration	196	196	98	-98
Bureau of the Census	8,703	10,783	10,188	-595
Economic & Statistical Analysis	499	501	486	-15
International Trade Administration	1,662	1,631	1,528	-103
Bureau of Industry & Security	371	414	426	12
Minority Business Development Agency	58	70	15	-55
National Oceanic & Atmospheric Administration	10,997	11,404	11,384	-20
United States Patent & Trademark Office	12,436	12,769	13,249	480
National Institute of Standards & Technology	3,275	3,388	2,990	-398
National Technical Information Service	101	150	150	0
National Telecommunications & Information Administration	127	160	152	-8
<b>TOTAL</b>	<b>39,336</b>	<b>42,335</b>	<b>41,555</b>	<b>-780</b>

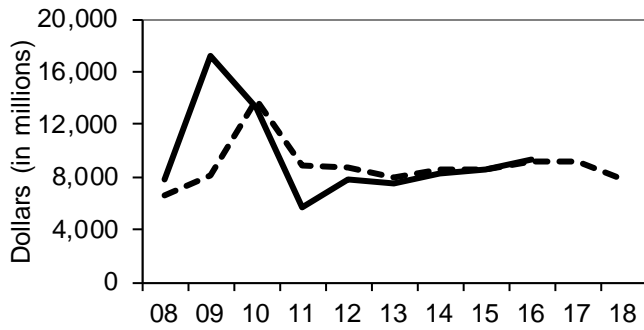
## Permanent Positions — FY 2016, FY 2017 and FY 2018

	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Change <u>2017 - 2018</u>
Departmental Management	972	921	941	20
Office of the Inspector General	177	177	178	1
Economic Development Administration	196	196	98	-98
Bureau of the Census	4,034	4,919	4,626	-293
Economic & Statistical Analysis	508	522	494	-28
International Trade Administration	1,831	1,831	1,672	-159
Bureau of Industry & Security	433	433	450	17
Minority Business Development Agency	70	70	50	-20
National Oceanic & Atmospheric Administration	11,093	11,991	12,267	276
United States Patent & Trademark Office	12,942	13,405	13,438	33
National Institute of Standards & Technology	3,336	3,333	2,915	-418
National Technical Information Service	200	200	200	0
National Telecommunications & Information Administration	160	160	152	-8
<b>TOTAL</b>	<b>35,952</b>	<b>38,158</b>	<b>37,481</b>	<b>-677</b>



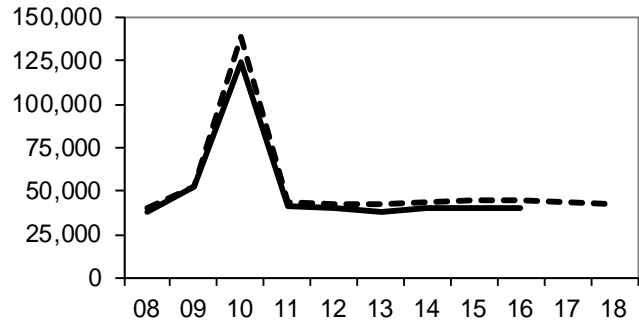
## Historical Summary of Resources

Budget Authority  
FY 2008 - FY 2018



— Actual BA    - - - President's Budget

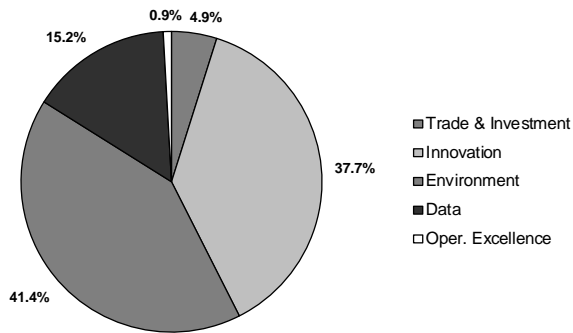
FTE Employment  
FY 2008 - FY 2018



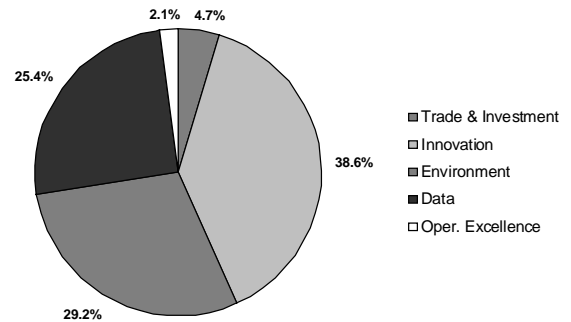
— Actual FTE    - - - President's Budget

## Percentage Funding and FTE by Strategic Goal

Funding



FTE



## Bridge from FY 2017 and FY 2018 Appropriations to FY 2017 and FY 2018 Budget Authority

	FY 2017 CR <u>Annualization</u>	FY 2018 <u>Estimate</u>	Change <u>2017 - 2018</u>
<b><u>ANNUAL APPROPRIATIONS ACT</u></b>	\$9,230,601	\$7,818,302	(\$1,412,299)
Transfers:			
Election Assistance Commission to NIST/STRS	1,497	1,500	3
DoJ Community Oriented Policing Services to NIST/STRS	4,491	4,499	8
ITA Transfer		5,000	5,000
EDA Rescission	(10,000)	(47,000)	(37,000)
Net of Fees and Collections	13,000	13,000	0
<b>*TOTAL, DISCRETIONARY BUDGET AUTHORITY</b>	9,239,589	7,795,301	(1,444,288)
*Excludes NOAA Offsetting Receipts	(390)	(2,762)	(2,372)
<b>MANDATORY</b>			
Departmental Management	3,500	3,500	0
Bureau of the Census			
Survey of Program Dynamics	10,000	10,000	0
State Children's Health Insurance Program	18,601	20,000	1,399
National Oceanic & Atmospheric Administration			
Damage Assessment & Restoration Revolving Fund	5,962	5,968	6
Fisheries Finance Program Account	30,764	0	(30,764)
Environmental Improvement & Restoration Fund	6,451	1,869	(4,582)
Sanctuaries Asset Forfeiture Fund	120	120	0
Transfer to Promote and Develop Fisheries from Dept. of Agriculture	145,073	154,199	9,126
NOAA Commissioned Officer Corp Retirement	29,375	29,375	0
Limited Access System Administration Fund	13,218	13,327	109
Western Pacific Sustainable Fisheries	622	650	28
Fisheries Asset Forfeiture Fund	3,996	4,000	4
North Pacific Observer Fund	3,815	3,850	35
National Telecommunications and Information Administration	21,420	0	(21,420)
<b>TOTAL, MANDATORY BUDGET AUTHORITY</b>	292,917	246,858	(46,059)
<b>DEPARTMENT OF COMMERCE BUDGET AUTHORITY</b>	9,532,506	8,042,159	(1,490,347)

## Comparison of FY 2018 Estimate with FY 2016 Actual and FY 2017 CR Annualization

	2016 Actual		2017 CR Annualization		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>DEPARTMENTAL MANAGEMENT</b>								
Salaries & Expenses	156	\$58,000	158	\$57,890	178	\$63,000	20	\$5,110
HCHB Renovation & Modernization	5	19,062	5	19,026	5	1,000	0	(18,026)
DM Working Capital Fund	583	0	529	0	529	0	0	0
Subtotal, DM	744	77,062	692	76,916	712	64,000	20	(12,916)
<b>OFFICE OF THE INSPECTOR GENERAL</b>	167	32,000	177	32,000	177	32,000	0	0
<b>ECONOMIC DEVELOPMENT ADMINISTRATION</b>								
Salaries & Expenses	196	38,456	196	39,000	98	30,000	(98)	(9,000)
Economic Development Assistance Programs	0	261,367	0	222,000	0	0	0	(222,000)
Subtotal, EDA	196	299,823	196	261,000	98	30,000	(98)	(231,000)
<b>BUREAU OF THE CENSUS</b>								
Current Surveys & Programs	1,285	270,000	1,648	269,487	1,548	246,000	(100)	(23,487)
Periodic Censuses & Programs	3,867	1,100,000	4,936	1,097,912	5,320	1,251,000	384	153,088
CENSUS Working Capital Fund	3,551	0	4,199	0	3,320	0	(879)	0
Subtotal, Census	8,703	1,370,000	10,783	1,367,399	10,188	1,497,000	(595)	129,601
<b>ECONOMIC &amp; STATISTICAL ANALYSIS</b>								
Salaries & Expenses	499	109,000	501	108,793	486	97,000	(15)	(11,793)
<b>INTERNATIONAL TRADE ADMINISTRATION</b>								
Operations & Administration	1,662	483,000	1,631	482,188	1,528	442,500	(103)	(39,688)
<b>BUREAU OF INDUSTRY &amp; SECURITY</b>								
Operations & Administration	414	112,500	414	112,500	426	113,500	12	1,000
<b>MINORITY BUSINESS DEVELOPMENT AGENCY</b>								
Minority Business Development	58	32,000	70	32,000	15	6,000	(55)	(26,000)
<b>NATIONAL OCEANIC &amp; ATMOSPHERIC ADMIN.</b>								
Operations, Research & Facilities	10,709	3,305,813	11,108	3,299,281	11,044	2,965,549	(64)	(333,732)
Procurement, Acquisition & Construction	283	2,400,416	294	2,395,856	340	1,807,801	46	(588,055)
Fishermen's Contingency Fund		350	0	349	0	349	0	0
Pacific Coastal Salmon Recovery	2	65,000	2	64,876	0	0	(2)	(64,876)
Medicare Eligible Retiree Healthcare Fund		1,936	0	1,936	0	1,603	0	(333)
Subtotal, NOAA	10,994	5,773,515	11,404	5,762,298	11,384	4,775,302	(20)	(986,996)
<b>PATENT &amp; TRADEMARK OFFICE</b>								
Salaries & Expenses	12,436	0	12,769	(6,086)	13,249	0	480	6,086
<b>NATIONAL INSTITUTE OF STANDARDS &amp; TECHNOLOGY</b>								
Scientific & Technical Research & Services	2,424	690,000	2,492	688,688	2,155	600,000	(337)	(88,688)
Industrial Technology Services	87	155,000	97	154,705	36	21,000	(61)	(133,705)
Construction of Research Facilities	85	119,000	110	118,774	110	104,000	0	(14,774)
NIST Working Capital Fund	679	0	689	0	689	0	0	0
Subtotal, NIST	3,275	964,000	3,388	962,167	2,990	725,000	(398)	(237,167)
<b>NATIONAL TECHNICAL INFORMATION SERV</b>	150	0	150	0	150	0	0	0
<b>NATIONAL TELECOMMUNICATIONS &amp; INFO. ADMIN.</b>								
Salaries & Expenses	127	39,500	160	39,426	152	36,000	(8)	(3,426)
<b>TOTAL, DEPARTMENT OF COMMERCE</b>	<b>39,425</b>	<b>9,292,400</b>	<b>42,335</b>	<b>9,230,601</b>	<b>41,555</b>	<b>7,818,302</b>	<b>(780)</b>	<b>(1,412,299)</b>

## Summary of Requirements with Detail of Adjustments to Base and Built-In Changes

	<u>2018 Estimate</u>			
	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>2017 CR Annualization</b>			<b>42,335</b>	<b>\$9,230,601</b>
<b>2017 Estimate (Fee Collections)</b>			<b>0</b>	<b>3,171,427</b>
FY 2017 Rescission (EDA)			0	-10,000
Other Income / Recoveries (USPTO)			0	29,250
USPTO Funding from operating reserve			0	117,302
<b><u>Transfers</u></b>				
From Department of Agriculture (PDF)	0	\$145,175		
FY Transfer to DOC OIG	0	(4,853)		
Technical Adjustments to Base (NOAA)	49	0		
Total, Transfers			49	140,322
<b><u>One-time Adjustment</u></b>				
Temporary Reduction (NOAA-P&DFP)			0	10,017
<b><u>Adjustments to Base</u></b>				
<b><u>Adjustments</u></b>				
Restoration of FY 2017 deobligations (NIST, NOAA)		31,500		
Non-recurring costs (DM)		(18,049)		
Restoration of Rescission (DM)		110		
Meet IT Cybersecurity mandates (ITA)		1,000		
Adjustment for DOC Working Capital Fund (NOAA)		19,962		
Other NOAA Adjustment		(15,113)		
Annualization of FTE (NOAA)	263	0		
Appropriations Previously Unavailable (NOAA)		(9,915)		
Total, Adjustments			263	9,495
<b><u>Financing:</u></b>				
Recoveries of prior year obligations (NIST, NOAA)			0	-41,500
<b><u>Other Changes</u></b>				
FY 2017 Pay raise		26,506		
FY 2018 Pay raise		63,895		
Full-year cost in 2018 of positions financed for part-year in FY 2017	486	57,246		
Civil Service Retirement System (CSRS)		(3,343)		
Federal Employees' Retirement System (FERS)		6,457		
Thrift Savings Plan		1,267		
Federal Insurance Contributions Act (FICA) - OASDI		2,901		
Health insurance		10,310		
Employees' Compensation Fund		(1,058)		
Travel:				
Domestic Per diem		729		
Foreign Per diem (ITA)		2		
Mileage		(42)		
Rent payments to GSA		5,928		
Postage		656		
Printing and reproduction		2,920		
NARA		(295)		

	2018 Estimate			
	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Other services:				
Working Capital Fund		(\$13,990)		
Commerce Business System		(4,223)		
Capital Security Cost Sharing Program (ITA)		(3,523)		
General pricing level adjustment				
Transportation of things		431		
Rental payments to others		1,128		
Communications, utilities, and miscellaneous		2,940		
Other services		44,282		
Supplies		3,059		
Equipment		7,056		
Post-Retirement Benefits to OPM (USPTO)		4,476		
Other compensation adjustments (USPTO)		32,104		
Overseas price increases (ITA)		410		
International Cooperative Admin Support Service (ICASS) (ITA)		579		
Non ICASS local guard service (ITA)		27		
Military Pouch (ITA)		16		
Fuel (BIS)		136		
Scientific journal subscriptions (NIST)		210		
Electricity rate decrease (NIST)		(1,436)		
Natural gas rate decrease (NIST)		(38)		
Ship and Aircraft fuel costs (NOAA)		322		
Grants (NOAA)		958		
Merit Based Compensation Plans for Locally Engaged Staff (LES) (ITA)		762		
Implementation of Locally Engaged Staff (LES) Wage Thaw (ITA)		1,530		
Subtotal, other changes			486	\$251,295
<b>Total Adjustments to Base</b>			798	219,290
<b>2018 Base</b>			<b>43,133</b>	<b>12,908,209</b>
Program Changes			-1,578	-1,425,715
<b>Total Requirements</b>			<b>41,555</b>	<b>11,482,493</b>
Offsetting Fee Collections (ITA, USPTO)			0	-3,599,193
Other Income (USPTO)			0	-29,250
Funding to operating reserve (USPTO)			0	112,569
<b>Transfers</b>				
To/From OIG			0	5,882
Transfer from Department of Agriculture (NOAA)			0	-154,199
<b>2018 Appropriation</b>			<b>41,555</b>	<b>\$7,818,302</b>

## Comparison by Bureau of Adjustments to Base, FY 2018 Estimate and Program Changes

Discretionary Accounts	Net Adjustments To Base		2018 Base		2018 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>BUREAU</b>								
Departmental Management	0	(\$16,664)	692	\$60,252	712	\$64,000	20	\$3,748
Office of the Inspector General	0	430	177	32,430	177	32,000	0	(430)
Economic Development Administration	0	0	196	251,000	98	30,000	(98)	(221,000)
Bureau of the Census	0	26,703	10,783	1,392,551	10,188	1,494,420	(595)	101,869
Economic and Statistical Analysis	0	1,980	501	110,773	486	97,000	(15)	(13,773)
International Trade and Investment Administration	32	5,957	1,663	501,145	1,528	455,500	(135)	(45,645)
Bureau of Industry and Security	0	1,663	414	114,163	426	113,500	12	(663)
Minority Business Development Agency	0	399	70	32,399	15	6,000	(55)	(26,399)
National Oceanic & Atmospheric Admin.	312	37,540	11,716	5,953,728	11,384	4,928,199	(332)	(1,025,529)
Patent and Trademark Office	454	151,901	13,223	3,448,794	13,249	3,500,874	26	52,081
National Technical Information Service	0	0	150	0	150	0	0	0
National Inst. of Standards & Technology	0	8,619	3,388	970,786	2,990	725,000	(398)	(245,786)
National Telecommunications and Info. Admin.	0	762	160	40,188	152	36,000	(8)	(4,188)
<b>TOTAL REQUIREMENTS</b>	<b>798</b>	<b>219,290</b>	<b>43,133</b>	<b>12,908,209</b>	<b>41,555</b>	<b>11,482,493</b>	<b>(1,578)</b>	<b>(1,425,715)</b>
Offsetting Fee Collections (ITA, USPTO)					0	(3,599,193)		
Other Income (USPTO)					0	(29,250)		
Funding to operating reserve (USPTO)					0	112,569		
To/From OIG					0	5,882		
Transfer from Department of Agriculture (NOAA)					0	(154,199)		
<b>2018 APPROPRIATION</b>					<b>41,555</b>	<b>7,818,302</b>		

## Budget Authority by Function

	2016 <u>Actual</u>	2017 CR <u>Annualization</u>	2018 <u>Estimate</u>	Change <u>2017 - 2018</u>
<b><u>DISCRETIONARY APPROPRIATIONS</u></b>				
<b>050 DEFENSE-RELATED ACTIVITIES</b>				
054 Defense-related activities				
Bureau of Industry and Security	\$36,000	\$36,000	\$38,000	\$2,000
<b>300 NATURAL RESOURCES AND ENVIRONMENT</b>				
306 Other natural resources				
National Oceanic & Atmospheric Administration	5,902,377	5,891,160	4,928,199	(962,961)
<b>370 COMMERCE AND HOUSING CREDIT</b>				
376 Other advancement and regulation of Commerce				
Departmental Management	77,062	76,916	64,000	(12,916)
Inspector General	36,853	36,853	37,882	1,029
Bureau of the Census	1,378,449	1,365,848	1,494,420	128,572
Economic and Statistical Analysis	109,000	108,793	97,000	(11,793)
International Trade Administration	495,000	495,188	460,500	(34,688)
Bureau of Industry and Security	76,500	76,500	75,500	(1,000)
Minority Business Development Agency	32,000	32,000	6,000	(26,000)
National Oceanic & Atmospheric Administration	(130,164)	(130,164)	(154,199)	(24,035)
Patent and Trademark Office	(2,000)	(8,086)	(2,000)	6,086
National Institute of Standards & Technology	970,000	968,155	730,999	(237,156)
National Telecommunications & Information Administration	39,500	39,426	36,000	(3,426)
<b>Subtotal, Commerce and Housing Credit</b>	<b>3,082,200</b>	<b>3,061,429</b>	<b>2,846,102</b>	<b>(215,327)</b>
<b>450 COMMUNITY AND REGIONAL DEVELOPMENT</b>				
452 Area and regional development				
Economic Development Administration	261,000	251,000	(17,000)	(268,000)
<b>TOTAL, DISCRETIONARY</b>	<b>9,281,577</b>	<b>9,239,589</b>	<b>7,795,301</b>	<b>(1,444,288)</b>
<b><u>MANDATORY APPROPRIATIONS</u></b>				
<b>300 NATURAL RESOURCES AND ENVIRONMENT</b>				
302 Conservation and land management				
National Oceanic & Atmospheric Administration	8,118	6,451	1,869	(4,582)
306 Other natural resources				
National Oceanic & Atmospheric Administration	55,180	48,555	48,670	115
<b>Subtotal, Natural Resources and Environment</b>	<b>63,298</b>	<b>55,006</b>	<b>50,539</b>	<b>(4,467)</b>
<b>370 COMMERCE AND HOUSING CREDIT</b>				
376 Other advancement & regulation of Commerce				
Departmental Management	5,316	3,500	3,500	0
Bureau of the Census	28,640	28,601	30,000	1,399
National Oceanic & Atmospheric Administration	167,454	184,390	162,819	(21,571)
National Telecommunications & Information Administration	665,580	21,420	0	(21,420)
<b>Subtotal, Commerce and Housing Credit</b>	<b>866,990</b>	<b>237,911</b>	<b>196,319</b>	<b>(41,592)</b>
<b>TOTAL, MANDATORY</b>	<b>930,288</b>	<b>292,917</b>	<b>246,858</b>	<b>(46,059)</b>
<b>TOTAL, DEPARTMENT OF COMMERCE</b>	<b>10,211,865</b>	<b>9,532,506</b>	<b>8,042,159</b>	<b>(1,490,347)</b>

## Authorizing Legislation Required for 2018

	FY 2018
<b>APPROPRIATION AND ACTIVITY</b>	Request
<b><u>Bureau of the Census</u></b>	
Salaries and Expenses	
State Childrens Health Insurance Program, 42 USC 1397ii(b)(1)(4) ,expires 9/30/15	\$30,000
<b><u>Economic Development Administration</u></b>	
Salaries and Expenses	30,000
Proposed language changes: For necessary expenses of an orderly closedown of the Economic Development Administration, including, but limited to, severance costs for personnel and on-going administration, oversight and monitoring of grants and loans previously awarded by the Economic Development Administration.	
Economic Development Assistance Programs (Public Works, Partnership Planning, Technical Assistance, Research and Evaluation, and Economic Adjustment Assistance Programs)	0
Economic Development Assistance Programs (Trade Adjustment Assistance Program)	0
Economic Development Assistance Programs (Investing in Manufacturing Communities Fund and Regional Export Challenge Programs)	0
Proposed language changes: For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, for trade adjustment assistance, and for grants authorized by section 27 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3722), \$222,000,000 to remain available until expended and may hereafter be used for the orderly closedown of the Economic Development Administration, [of which \$15,000,000 shall be for grants under such section 27] including but not limited to, on-going administration, oversight and monitoring of grants and loans previously awarded by the Economic Development Administration, whether expended by the Economic Development Administration or a successor operating unit within the Department of Commerce. Such funds will be available to such successor operating unit in addition to any other amounts that may be appropriated for the necessary expenses of such operating unit as provided by law.	
<b><u>Bureau of Industry and Security</u></b>	
Export Administration Act of 1979, P.L. 106-508, expired 8/20/01	113,500
<b><u>International Trade Administration</u></b>	
Export Promotion, P.L. 103-392, expired 9/30/96	318,571
<b><u>National Institute of Standards &amp; Technology</u></b>	
National Institute of Standards & Technology Authorization Act of 2010, P.L. 111-358, expired 9/30/2013	
Scientific & Technical Research & Services	600,000
Industrial Technology Services	21,000
Construction of Research Facilities	104,000
Subtotal, NIST	725,000



<b>APPROPRIATION AND ACTIVITY</b>	FY 2018 Request
<b><u>National Oceanic and Atmospheric Administration</u></b>	
<u>Operations, Research and Facilities</u>	
<i>National Ocean Service</i>	
Coral Reef Conservation Act, P.L.106-562, expired 9/30/04	\$25,955
Hydrographic Services Improvement Act, P.L.107-372, expired 9/30/07	197,340
Coastal Zone Management Act, P.L. 104-150, expired 9/30/99	39,924
Marine Protection, Research, Preservation & Sanctuaries Act Title II & III, P.L.106-513, expired 9/30/05	48,907
<i>National Marine Fisheries Service</i>	
Endangered Species Act Amendments of 1988, P.L. 100-478, expired 9/30/92	\$143,051
Marine Mammal Protection Act, P.L. 103-238, expired 9/30/99	38,941
NOAA Marine Fisheries Program Authorization Act, P.L. 104-297, expired 9/30/00	116,105
Interjurisdictional Fisheries Act, P.L. 109-479, expired 9/30/12	742
Magnuson-Stevens Fishery Conservation and Management Act , P.L. 109-479, expires 9/30/13	528,377
Estuary Restoration Act, P.L.110-114, expires 9/30/2012	500
<i>Oceanic and Atmospheric Research</i>	
National Sea College Program, P.L.107-299, expires 9/30/08	0
Ocean Exploration 33 USC 3406; P.L. 111-11, expires 9/30/15	19,439
Federal Ocean Acidification Research and Monitoring Act of 2009 33 USC 3708; P.L. 111-11, expired 9/30/2012	9,981
National Integrated Drought Information System Act of 2006 15 USC 313d note; P.L. 109-430, sec. 4, expired 9/30/2012	13,500
 <u>Procurement, Acquisition and Construction</u>	
<i>National Ocean Service</i>	
Marine Protection, Research, Preservation & Sanctuaries Act Title II & III, P.L.106-513, expired 9/30/05	1,996
Coastal Zone Management Act, P.L. 104-150, expired 9/30/99	0
<b>Subtotal, NOAA</b>	1,184,758
<b><u>National Telecommunications and Information Administration</u></b>	
Salaries and Expenses	36,000
Telecommunications Authorization Act of 1992, P.L. 102-538, expired 9/30/93	0
<b>TOTAL, AUTHORIZATION REQUIRED</b>	2,437,829
<b>PROGRAMS AUTHORIZED</b>	5,380,473
<b>TOTAL, DEPARTMENT OF COMMERCE APPROPRIATIONS</b>	7,818,302