

Introduction

The mission of the Department of Commerce is to foster, serve, and promote the Nation's foreign and domestic commerce, economic development, technological advancement, and environmental stewardship. The Department fulfills this mission by promoting international trade, strengthening the Nation's international economic position, promoting progressive business growth, improving the conservation and management of marine and coastal resources, ensuring growth of our scientific and technical resources, developing and providing substantial demographic and economic information, and by supporting states, communities, and individuals in their economic progress.

The President's FY 2007 Budget request of \$6.14 billion in discretionary funds for the Department of Commerce reflects a balance between the Administration's commitment to promote and sustain economic growth and opportunity, and the need to restrain discretionary Federal spending. Enactment of the President's request will enable the Department to effectively continue its programs that promote strong and equitable trade relationships critical to sustaining our Nation's ability to successfully compete in the global marketplace, improve our scientific and technological capabilities, protect intellectual property rights, upgrade our capabilities for weather observations and forecasting, and ensure the long-term economic and ecological sustainability of our natural resources.

This FY 2007 Budget in Brief outlines a performance budget linked to attainment of the Department's three strategic goals. Each bureau within the Department supports one of these goals. Departmental Management and the Office of the Inspector General support the Management Integration Goal.

- Goal 1: Provide the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers (ITA, EDA, ESA, BEA, Census, BIS, and MBDA).
- Goal 2: Foster science and technological leadership by protecting intellectual property, enhancing technical standards, and advancing measurement science (TA, NIST, NTIS, PTO, and NTIA).
- Goal 3: Observe, protect and manage the earth's resources to promote environmental stewardship (NOAA).
- Management Integration Goal: Achieve organizational and management excellence (DM and OIG).

Goal 1: Provide the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers

The International Trade Administration (ITA) supports U.S. commercial interests at home and abroad by strengthening the competitiveness of American industries and workers, promoting international trade, opening foreign markets to U.S. businesses, and ensuring compliance with domestic and international trade laws and agreements. ITA conducts domestic and international competitive analyses to ensure that the U.S. manufacturing and service sectors can compete effectively and meet the demands of global supply chains, and to understand the competitive impact of regulatory and economic changes. ITA directly supports U.S. businesses via a Trade Information Center that provides customers a single point of access to ITA's programs and services such as information on a foreign country's trade laws and legal practices or assistance in preparing firms to start exports. The President's FY 2007 Budget requests \$409 million for ITA. This request includes an increase of \$2 million to support the President's Asia-Pacific Partnership on Clean Development and Climate. This partnership will reduce the barriers to energy efficient American products and technologies in Australia, China, India, Japan, and South Korea by providing U.S. firms market research on those countries, coordinating trade missions to those countries, and facilitating similar visits from those countries to the United States.

The Economic Development Administration's (EDA) mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. The President's FY 2007 Budget reorganizes and expands EDA's Economic Development Assistance Programs by \$47 million—a nineteen percent increase—to \$297 million, which reflects the Administration's emphasis on regional competitiveness and measuring performance as the underlying strategy for federal economic development policy. EDA, in partnership with the Department of Housing and Urban Development, will establish a proactive Federal economic

development framework in support of the Strengthening America's Communities Initiative (SACI) to proactively empower America's communities to be globally competitive. Four of EDA's programs, representing the majority of EDA's funding, will be merged into a new Regional Development Account. This account will administer the competitive grant component of SACI, including support for University Centers.

The Economics and Statistics Administration (ESA) promotes the understanding of the United States economy and its competitive position. ESA's Bureau of Economic Analysis (BEA) provides key objective data on the Nation's economic condition in a timely and cost-effective manner. This data includes the Gross Domestic Product (GDP) as well as other regional, national, international, and industry-specific information. The President's FY 2007 Budget requests \$80.5 million to maintain the level of funding ESA Headquarters and BEA need to efficiently and accurately provide these statistics, as well as research and policy analysis, that are critical to public and private sector decision-making.

ESA's Census Bureau serves as the leading source of quality data about the nation's people and economy. The President's FY 2007 Budget requests \$878 million in discretionary funds for the Census Bureau, which includes a net increase of \$33 million for program changes. The largest component of these changes is \$44 million, a nearly ten percent increase, to prepare for the 2010 Decennial Census by reengineering the collection of basic census data to meet constitutional and legal mandates, implementing the American Community Survey to obtain detailed annual data, and by modernizing the Bureau's geographic database—including its alignment with Global Positioning System coordinates. Other program additions include \$11 million for Economic Census to develop tools and systems to support the 2007 Economic Census, and \$3 million for the Census of Governments to collect data supporting the 2007 Economic Census. Economic Census received a score of 90—Effective—in its recent Program Assessment Rating Tool review by the Office of Management and Budget. The President's FY 2007 Budget request continues the funding necessary for the Bureau's other program areas.

The Bureau of Industry and Security (BIS) regulates the export of sensitive goods and technologies to protect the security of the United States. The President's FY 2007 Budget requests \$78.6 million to enable BIS to effectively carry out this mission. The proposed budget includes an increase to modernize the Export Control Automated Support System, which is critical for processing export licenses as required by Executive Order 12981.

The Minority Business Development Agency (MBDA) focuses on accelerating the competitiveness and growth of minority-owned businesses by helping to close the gaps in economic opportunities and capital access. The President's FY 2007 Budget requests \$29.6 million to enable MBDA to continue pursuing additional avenues to leverage resources and expand the availability of services to minority business enterprises.

Goal 2: Foster science and technological leadership by protecting intellectual property, enhancing technical standards, and advancing measurement science

The Under Secretary for Technology (TA/US) provides policy guidance to the Secretary of Commerce and the Technology Administration's component agencies (NIST and NTIS). The Under Secretary serves on the Executive Committee of the Committee on Technology within the President's National Science and Technology Council, coordinates the civilian technology efforts of federal agencies, and helps to shape federal civilian R&D priorities based upon the needs of industry. The President's FY 2007 Budget requests \$1.5 million for TA/US, which provides sufficient resources for TA/US to adequately perform these duties through continued progress to streamline administrative and policy operations.

The National Institute of Standards and Technology (NIST) promotes 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. The President's FY 2007 Budget requests an appropriation of \$581 million for NIST. The request includes an increase of \$104 million for NIST Laboratories, National Research Facilities, and Construction & Major Renovations—a 24 percent increase over their FY 2006 recurring program levels—to implement the President's ten-year American Competitiveness Initiative. Technological innovation drives as much as 85 percent of the growth in per-capita U.S. income and sustains our competitiveness in global markets. The requested funds will enable NIST to advance

measurement science, standards, and technology for disciplines such as nanotechnology, quantum information science, and neutron research. Advancing these and other emerging areas of physical science is essential for long-term innovation and resulting economic vitality.

The National Technical Information Service (NTIS), a component of the Technology Administration, collects and preserves scientific, technical, engineering and other business-related information from Federal and international sources and disseminates it to the American business and industrial research community. NTIS operates a revolving fund for the payment of all expenses incurred and does not receive appropriated funds.

The U.S. Patent and Trademark Office (PTO) promotes the research, development, and application of new technologies by protecting inventors' rights to their intellectual property through the issuance of patents. The PTO also enables businesses and consumers to clearly identify specific products through the issuance of trademarks. The President's FY 2007 Budget request of \$1.84 billion in spending authority for the PTO includes increases for both Patent and Trademark Processes. The PTO will use these additional funds to reduce application processing time and increase the quality of its products and services by hiring additional examiners, refining the electronic patent application filing and processing system, improving quality assurance programs, and implementing higher standards for examiner certification and recertification. Consistent with recent prior years, the Administration proposes to fund the PTO budget exclusively through offsetting fee collections. Fee collections for FY 2007 are projected to cover the proposed increases.

The National Telecommunications and Information Agency (NTIA) develops telecommunications and information policy, manages the Federal radio spectrum, performs telecommunications research, engineering, and planning, and supports facilities for public broadcasting. The President's FY 2007 Budget request for NTIA supports its core activities and eliminates all new funding for Public Telecommunications Facilities, Planning & Construction, as funds for those activities are available from other sources. The Digital Television Transition and Public Safety Fund, created by the Deficit Reduction Act of 2005, funds a number of programs with the auction proceeds of electromagnetic spectrum recovered from discontinued analog television signals. Programs supported by this Fund in FY 2007 will provide consumers with vouchers to aid in their purchase of digital-to-analog television converter boxes, assist public safety agencies in acquiring interoperable communications systems, and support an interim digital television broadcast system for New York City.

Goal 3: Observe, protect, and manage the earth's resources to promote environmental stewardship

The National Oceanic and Atmospheric Administration (NOAA) supplies information on the oceans and atmosphere, provides stewardship of our coastal and marine environment, and leads scientific research in such fields as ecosystems, climate, weather and water. NOAA components include the National Weather Service – which provides critical observations, forecasts, and warnings, the National Environmental Satellite, Data, and Information Service – which provides timely access to global environmental data from satellites and other sources, the National Marine Fisheries Service – which is responsible for the stewardship of the nation's living marine resources and their habitat, the National Ocean Service – which measures and predicts coastal and ocean phenomena, protects large areas of the oceans, and ensures safe navigation, the Office of Oceanic and Atmospheric Research – which provides the research foundation for understanding weather, climate, and ocean and coastal resources, and the Office of Marine and Aviation Operations – which operates a wide variety of specialized aircraft and ships to support NOAA's environmental and scientific missions. The President's FY 2007 Budget requests \$3.68 billion in discretionary appropriations for NOAA.

Under Operations, Research, and Facilities, major program increases include additional funds to operate the U.S. Tsunami Warning System, increases to programs that will support fisheries in the Gulf of Mexico, and funding for the Open Rivers Initiative (ORI). ORI will be a competitive grant program using a community-based model to remove river barriers in coastal states, thus enhancing populations of key NOAA trust species and supporting the President's Cooperative Conservation Initiative (Executive Order 13352).

Under Procurement, Acquisition, and Construction, major program increases include funding to have the NOAA Center for Weather and Climate Prediction ready to start operations in 2008, \$113 million to continue the Geostationary Operational Environmental Satellite (GOES-R) series system acquisition, and \$20 million for NOAA's share of the National Polar-Orbiting Environmental Satellite System (NPOESS)—which will replace the Polar-Orbiting Environmental Satellite (POES). The GOES-R satellites will be the next generation follow-on to the current GOES-N series satellites used to track storm development and movement.

Management Integration Goal: Achieve organizational and management excellence

Departmental Management (DM) funds the Offices of the Secretary, Deputy Secretary, and their support staff. Staffs in these offices develop and implement policy, administer internal operations, and serve as primary liaison to other executive branch agencies, Congress, and private sector entities.

The President's FY 2007 Budget requests \$18.0 million towards renovation of the Herbert C. Hoover Building (HCHB), the Department's 73 year old headquarters building in downtown Washington, D.C. The HCHB is one of the last historic buildings in the Federal Triangle to be scheduled for renovation and modernization. The planned renovations of the building will correct basic health and safety code deficiencies—particularly in the building's mechanical, electrical, and plumbing systems, increase usable space and energy efficiency, extend the building's ultimate useful life, and incorporate major security upgrades.

The President's FY 2007 Budget also requests \$5.9 million for the installation of blast resistant windows for one third of the HCHB. Funding of \$990 thousand is requested to administer the National Intellectual Property Law Enforcement Coordination Council, which was established by Congress in 1999.

The Office of the Inspector General (OIG) is charged with promoting economy and efficiency, and detecting and preventing fraud, waste, and abuse in Departmental programs and operations. The President's FY 2007 Budget requests \$22.5 million to enable the OIG to continue to effectively meet these mandates.

Budget in Brief

This Budget in Brief (BIB) provides a summary of the Department of Commerce's programs that fulfill the mandates of the Department. The BIB identifies the resources requested in the President's FY 2007 Budget to implement these programs. It also provides the performance goals and measures associated with each of the bureaus to facilitate performance-based review of our programs.

The Budget in Brief contains several sections. The **Introduction** highlights how the Department of Commerce supports the President's agenda and the Administration's priorities. It identifies the aggregate resource levels the Department of Commerce seeks for FY 2007 to meet its planned performance targets, and summarizes major proposed program changes. The **Summary** contains tables and charts that display the Department's resources. These provide a view of funding and employment trends both short and long term.

The **Bureau by Bureau Descriptions** provide the detail of program activities and performance levels and the budget request supporting these activities. These chapters also include a framework that aligns the Commerce Strategic Plan with the programs' performance goals and measures. In FY 2005, the Annual Performance Plan was merged into the FY 2005 budget submission; this practice continued through FY 2007. Therefore, additional information on the Department's performance is provided in the FY 2007 budget submission and the FY 2005 Performance and Accountability Report. Finally, the Budget in Brief includes authorizing legislation requirements for FY 2007 and a Department-wide Summary of funding requirements for FY 2007.

Department of Commerce Funding and Employment

	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
BUDGET AUTHORITY				
Discretionary	\$6,364,035	\$6,410,129	\$6,138,995	(\$271,134)
Mandatory	130,195	40,447	167,949	127,502
TOTAL BUDGET AUTHORITY	6,494,230	6,450,576	6,306,944	(143,632)
 OUTLAYS				
Discretionary	6,166,650	6,440,557	6,507,155	66,598
Mandatory	(1,500)	25,459	100,728	75,269
TOTAL OUTLAYS	6,165,150	6,466,016	6,607,883	141,867
 FULL-TIME EQUIVALENT EMPLOYMENT				
	35,449	37,860	38,576	716

The FTE level for FY 2007 has been adjusted to reflect recent decisions. As a result, the total shown above is different from the level reflected in the President's Budget.

Budget Authority - FY 2005, FY 2006 and FY 2007

	2005	2006	2007	<u>Change</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2005 - 2007</u>
DISCRETIONARY				
Departmental Management	\$49,466	\$46,860	\$56,999	\$10,139
HCHB Renovation and Modernization	0	0	18,000	18,000
Emergency Steel Guaranteed Loan Program	0	0	(48,607)	(48,607)
Nat'l Intellectual Property Law Enforcement Coordination Council	1,973	0	990	990
Subtotal, Departmental Management	51,439	46,860	27,382	(19,478)
Inspector General	21,371	22,467	22,531	64
Economic Development Administration	285,496	280,432	327,167	46,735
Bureau of the Census	744,798	801,863	878,159	76,296
Economic and Statistical Analysis	78,931	79,278	80,482	1,204
International Trade Administration	402,229	397,779	408,782	11,003
Bureau of Industry and Security	67,480	75,029	78,582	3,553
Minority Business Development Agency	29,500	29,641	29,641	0
National Oceanic & Atmospheric Administration	3,950,227	3,911,492	3,684,147	(227,345)
Patent and Trademark Office	0	0	0	0
Under Secretary for Technology	6,460	5,923	1,485	(4,438)
National Institute of Standards & Technology	698,103	747,809	586,282	(161,527)
National Telecommunications & Information Admin.	38,678	39,556	17,837	(21,719)
Offsetting receipts - Fisheries finance, negative subsidy	(10,678)	(28,000)	(3,482)	24,518
SUBTOTAL, DISCRETIONARY	6,364,034	6,410,129	6,138,995	(271,134)
MANDATORY				
Departmental Management	862	900	900	0
Emergency Steel Guaranteed Loan Program	4,755	0	0	0
Subtotal, Departmental Management	5,617	900	900	0
Bureau of the Census	20,000	20,000	20,000	0
International Trade Administration	5,332	0	0	0
National Oceanic & Atmospheric Administration	108,512	115,828	110,769	(5,059)
National Telecommunications & Information Admin.	0	0	45,000	45,000
Subtotal	139,461	136,728	176,669	39,941
Offsetting receipts	(9,266)	(96,281)	(8,720)	87,561
SUBTOTAL, MANDATORY	130,195	40,447	167,949	127,502
TOTAL, DEPARTMENT OF COMMERCE	6,494,229	6,450,576	6,306,944	(143,632)

Summary of Budget Authority - 2007 -- 2011

(Dollars in Millions)

DISCRETIONARY	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Departmental Management	\$57	\$56	\$56	\$57	\$58
HCHB Renovation and Modernization	18	17	17	17	17
Emergency Steel Guaranteed Loan Program	(49)	0	0	0	0
Nat'l Intellectual Property Law Enforcement Coordination Council	1	1	1	1	1
Subtotal, Departmental Management	27	74	74	75	76
Inspector General	23	22	22	22	22
Economic Development Administration	327	316	314	310	314
Bureau of the Census	878	1,148	2,023	6,147	1,077
Economic and Statistical Analysis	80	77	77	76	77
International Trade Administration	409	395	393	388	392
Bureau of Industry and Security	79	83	86	91	95
Minority Business Development Agency	30	29	29	28	29
National Oceanic & Atmospheric Administration	3,684	3,564	3,546	3,500	3,542
Patent and Trademark Office	0	0	0	0	0
Under Secretary for Technology	1	1	1	1	1
National Technical Information Service	0	0	(1)	1	(1)
National Institute of Standards & Technology	586	635	684	740	802
National Telecommunications & Inform. Admin.	18	17	17	17	17
Offsetting receipts - Fisheries finance, negative subsidy	(3)	(3)	(3)	(3)	(3)
SUBTOTAL, DISCRETIONARY	6,139	6,358	7,262	11,393	6,440
MANDATORY					
Departmental Management	1	(3)	1	1	1
Bureau of the Census	20	20	20	20	20
National Oceanic & Atmospheric Administration	111	112	113	113	113
National Telecommunications & Inform. Admin.	45	2,250	0	0	0
Subtotal	177	2,379	134	134	134
Offsetting receipts	(9)	(11,097)	(2,780)	(10)	(10)
SUBTOTAL, MANDATORY	168	(8,718)	(2,646)	124	124
 TOTAL, DEPARTMENT OF COMMERCE	 6,307	 (2,360)	 4,616	 11,517	 6,564

Outlays - FY 2005, FY 2006 and FY 2007

	2005	2006	2007	<u>Change</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2005 - 2007</u>
DISCRETIONARY				
Departmental Management	\$47,639	\$111,446	\$57,312	(\$54,134)
HCHB Renovation and Modernization	0	0	12,600	12,600
Emergency Steel Guaranteed Loan Program	8,558	2,178	0	(2,178)
Emergency Oil and Gas Guaranteed Loan Program	(3)	592	0	(592)
Nat'l Intellectual Property Law Enforcement Coordination Council	0	1,973	990	(983)
Subtotal, Departmental Management	56,194	116,189	70,902	(45,287)
Inspector General	20,422	21,619	22,523	904
Economic Development Administration	362,592	390,320	369,204	(21,116)
Bureau of the Census	739,493	786,783	850,998	64,215
Economic and Statistical Analysis	76,932	84,306	80,414	(3,892)
International Trade Administration	395,785	377,207	397,683	20,476
Bureau of Industry and Security	60,011	86,326	79,940	(6,386)
Minority Business Development Agency	28,902	22,618	28,827	6,209
National Oceanic & Atmospheric Administration	3,807,650	3,934,046	3,870,114	(63,932)
Patent and Trademark Office	(102,126)	(119,086)	(36,966)	82,120
Under Secretary for Technology	7,328	5,261	2,905	(2,356)
National Technical Information Service	11,642	1,829	(225)	(2,054)
National Institute of Standards & Technology	659,974	685,155	722,634	37,479
National Telecommunications & Information Admin.	52,529	75,984	51,684	(24,300)
Offsetting receipts - Fisheries finance, negative subsidy	(10,678)	(28,000)	(3,482)	24,518
SUBTOTAL, DISCRETIONARY	6,166,650	6,440,557	6,507,155	66,598
MANDATORY				
Departmental Management	(2,789)	36,161	943	(35,218)
Emergency Steel Guaranteed Loan Program	4,755	0	0	0
Franchise Fund	496	0	0	0
Subtotal, Departmental Management	2,462	36,161	943	(35,218)
Economic Development Administration	(1,134)	0	0	0
Bureau of the Census	(45,969)	20,000	20,000	0
International Trade Administration	0	3,732	1,066	(2,666)
National Oceanic & Atmospheric Administration	52,407	61,847	42,439	(19,408)
National Telecommunications & Information Admin.	0	0	45,000	45,000
Subtotal	7,766	121,740	109,448	(12,292)
Offsetting receipts	(9,266)	(96,281)	(8,720)	87,561
SUBTOTAL, MANDATORY	(1,500)	25,459	100,728	75,269
TOTAL, DEPARTMENT OF COMMERCE	6,165,150	6,466,016	6,607,883	141,867

Summary of Outlays - 2007 - 2011

(Dollars in Millions)

DISCRETIONARY	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Departmental Management	\$57	\$55	\$57	\$57	\$58
HCHB Renovation and Modernization	13	17	17	17	17
Nat'l Intellectual Property Law Enforcement Coordination Council	1	1	1	1	1
Subtotal, Departmental Management	71	73	75	75	76
Inspector General	23	23	23	22	23
Economic Development Administration	369	350	253	309	315
Bureau of the Census	851	1,093	1,840	5,282	2,143
Economic and Statistical Analysis	80	78	77	76	77
International Trade Administration	398	399	395	389	392
Bureau of Industry and Security	80	82	85	90	93
Minority Business Development Agency	29	29	29	28	28
National Oceanic & Atmospheric Administration	3,870	3,656	3,588	3,540	3,530
Patent and Trademark Office	(37)	8	(41)	(53)	(59)
Under Secretary for Technology	3	1	1	1	1
National Technical Information Service	0	0	0	1	(1)
National Institute of Standards & Technology	723	697	703	731	781
National Telecommunications & Information Admin.	51	34	23	18	17
Offsetting receipts - Fisheries finance, negative subsidy	(3)	(3)	(3)	(3)	(3)
SUBTOTAL, DISCRETIONARY	6,508	6,520	7,048	10,506	7,413
MANDATORY					
Departmental Management	1	(3)	1	1	1
Bureau of the Census	20	20	20	20	20
International Trade Administration	1	0	0	0	0
National Oceanic & Atmospheric Administration	42	120	124	119	113
National Telecommunications & Information Admin.	45	640	1,095	414	70
Subtotal	109	777	1,240	554	204
Offsetting receipts	(9)	(11,097)	(2,780)	(10)	(10)
SUBTOTAL, MANDATORY	100	(10,320)	(1,540)	544	194
 TOTAL, DEPARTMENT OF COMMERCE	 6,608	 (3,800)	 5,508	 11,050	 7,607

Outlays - FY 2005, FY 2006 and FY 2007

	2005	2006	2007	<u>Change</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2005 - 2007</u>
DISCRETIONARY				
Departmental Management	\$47,639	\$111,446	\$57,312	(\$54,134)
HCHB Renovation and Modernization	0	0	12,600	12,600
Emergency Steel Guaranteed Loan Program	8,558	2,178	0	(2,178)
Emergency Oil and Gas Guaranteed Loan Program	(3)	592	0	(592)
Nat'l Intellectual Property Law Enforcement Coordination Council	0	1,973	990	(983)
Subtotal, Departmental Management	56,194	116,189	70,902	(45,287)
Inspector General	20,422	21,619	22,523	904
Economic Development Administration	362,592	390,320	369,204	(21,116)
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International Trade Administration	395,785	377,207	397,683	20,476
Bureau of Industry and Security	60,011	86,326	79,940	(6,386)
Minority Business Development Agency	28,902	22,618	28,827	6,209
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Patent and Trademark Office	(102,126)	(119,086)	(36,966)	82,120
Under Secretary for Technology	7,328	5,261	2,905	(2,356)
National Technical Information Service	11,642	1,829	(225)	(2,054)
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SUBTOTAL, DISCRETIONARY	6,166,650	6,440,557	6,507,155	66,598
MANDATORY				
Departmental Management	(2,789)	36,161	943	(35,218)
Emergency Steel Guaranteed Loan Program	4,755	0	0	0
Franchise Fund	496	0	0	0
Subtotal, Departmental Management	2,462	36,161	943	(35,218)
Economic Development Administration	(1,134)	0	0	0
Bureau of the Census	(45,969)	20,000	20,000	0
International Trade Administration	0	3,732	1,066	(2,666)
National Oceanic & Atmospheric Administration	52,407	61,847	42,439	(19,408)
National Telecommunications & Information Admin.	0	0	45,000	45,000
Subtotal	7,766	121,740	109,448	(12,292)
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Departmental Management	\$57	\$55	\$57	\$57	\$58
HCHB Renovation and Modernization	13	17	17	17	17
Nat'l Intellectual Property Law Enforcement Coordination Council	1	1	1	1	1
Subtotal, Departmental Management	71	73	75	75	76
Inspector General	23	23	23	22	23
Economic Development Administration	369	350	253	309	315
Bureau of the Census	851	1,093	1,840	5,282	2,143
Economic and Statistical Analysis	80	78	77	76	77
International Trade Administration	398	399	395	389	392
Bureau of Industry and Security	80	82	85	90	93
Minority Business Development Agency	29	29	29	28	28
National Oceanic & Atmospheric Administration	3,870	3,656	3,588	3,540	3,530
Patent and Trademark Office	(37)	8	(41)	(53)	(59)
Under Secretary for Technology	3	1	1	1	1
National Technical Information Service	0	0	0	1	(1)
National Institute of Standards & Technology	723	697	703	731	781
National Telecommunications & Information Admin.	51	34	23	18	17
Offsetting receipts - Fisheries finance, negative subsidy	(3)	(3)	(3)	(3)	(3)
SUBTOTAL, DISCRETIONARY	6,508	6,520	7,048	10,506	7,413
MANDATORY					
Departmental Management	1	(3)	1	1	1
Bureau of the Census	20	20	20	20	20
International Trade Administration	1	0	0	0	0
National Oceanic & Atmospheric Administration	42	120	124	119	113
National Telecommunications & Information Admin.	45	640	1,095	414	70
Subtotal	109	777	1,240	554	204
Offsetting receipts	(9)	(11,097)	(2,780)	(10)	(10)
SUBTOTAL, MANDATORY	100	(10,320)	(1,540)	544	194
 TOTAL, DEPARTMENT OF COMMERCE	 6,608	 (3,800)	 5,508	 11,050	 7,607

FY 2007 Distribution of Resources by Strategic Goal

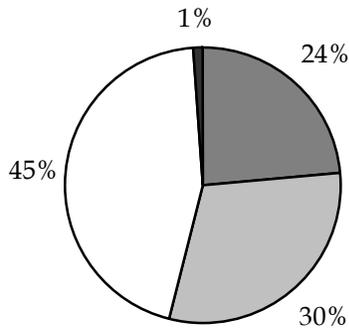
Goal 1: Provide the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers and consumers (EDA, Census, ESA (including BEA), ITA, BIS and MBDA).

Goal 2: Foster science and technological leadership by protecting intellectual property, enhancing technical standards, and advancing measurement science (PTO, TA (including OTP, NIST and NTIS), and NTIA).

Goal 3: Observe, protect and manage the earth's resources to promote environmental stewardship (NOAA).

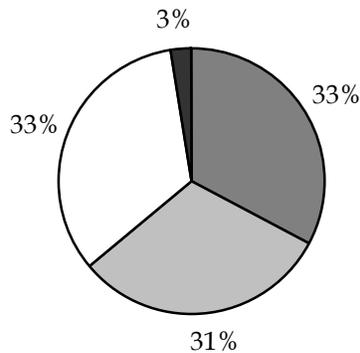
Management Integration Goal: Achieve organizational and management excellence (DM and OIG).

Funding by Strategic Goal



■ Goal 1 ■ Goal 2 □ Goal 3 ■ Management

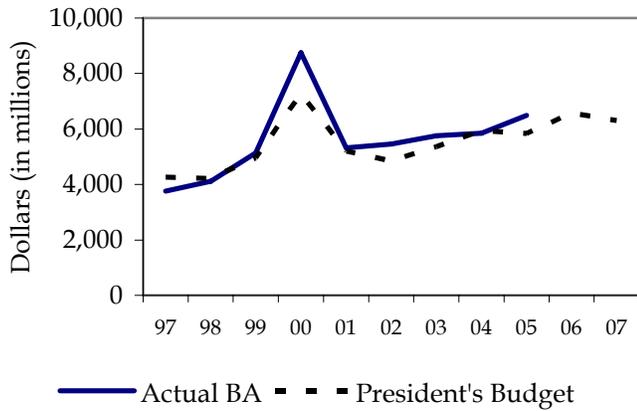
FTE by Strategic Goal



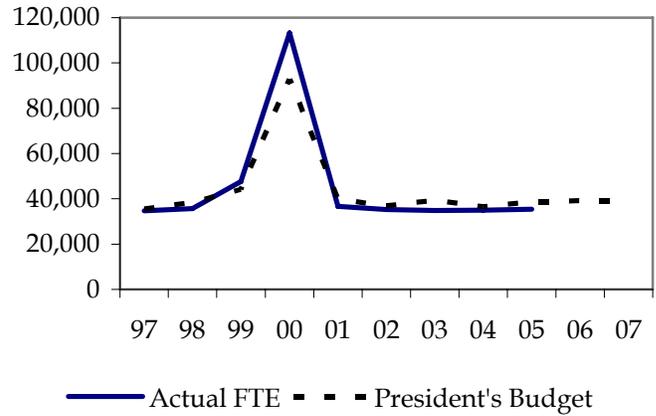
■ Goal 1 ■ Goal 2 □ Goal 3 ■ Management

Historical Summary of Resources

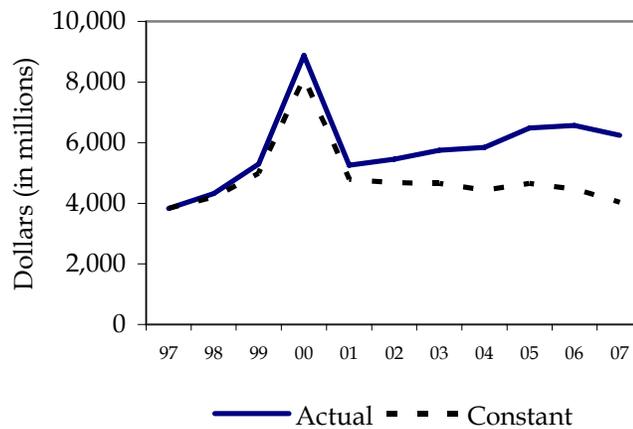
**Budget Authority
FY 1997 - FY 2007**



**FTE Employment
FY 1997 - FY 2007**



**Actual vs Constant Dollars
FY 1997 - FY 2007**



Full-Time Equivalent Employment - FY 2005, FY 2006 and FY 2007

	2005	2006	2007	Change
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2006-2007</u>
Departmental Management	834	875	879	4
Inspector General	115	138	138	0
Economic Development Administration	207	207	207	0
Bureau of the Census	8,433	9,233	9,137	(96)
Economic and Statistical Analysis	543	567	564	(3)
International Trade Administration	2,237	2,242	2,242	0
Bureau of Industry and Security	362	416	419	3
Minority Business Development Agency	96	115	115	0
National Oceanic and Atmospheric Administration	12,600	12,791	12,864	73
Patent and Trademark Office	6,825	7,875	8,557	682
Under Secretary for Technology	28	20	5	(15)
National Technical Information Service	157	200	200	0
National Institute of Standards & Technology	2,753	2,910	2,969	59
National Telecommunications & Information Admin.	259	271	280	9
TOTAL, DEPARTMENT OF COMMERCE	35,449	37,860	38,576	716

The FTE level for FY 2007 has been adjusted to reflect recent decisions. As a result, the total shown above is different from the level reflected in the President's Budget.

Bridge from FY 2006 and FY 2007 Appropriations to FY 2006 and FY 2007 Budget Authority

	2006	2007	Change
	<u>Estimate</u>	<u>Estimate</u>	<u>2006-2007</u>
ANNUAL APPROPRIATIONS ACT	\$6,523,194	\$6,137,527	(\$385,667)
CJS rescission of .28%	(18,373)	0	18,373
Government-wide rescission of 1%	(65,435)	0	65,435
APPROPRIATION	6,439,386	6,137,527	(301,859)
SUPPLEMENTAL APPROPRIATIONS ACT			
NOAA Supplemental - P.L. 109-148	54,600	0	(54,600)
NOAA Unobligated balance rescission	(25,000)	0	25,000
NOAA ORF Transfer to NASA	(26,629)	0	26,629
NIST/ITS Unobligated balance rescission	(7,000)	0	7,000
Transfer from the Election Assistance Commission to NIST/STRS	2,772	4,950	2,178
Offsetting receipts - Fisheries finance, negative subsidy receipts	(28,000)	(3,482)	24,518
SUBTOTAL, DISCRETIONARY BUDGET AUTHORITY	6,410,129	6,138,995	(271,134)
MANDATORY			
Bureau of the Census - Salaries & Expenses	20,000	20,000	0
Coastal Zone Management Fund - Offsetting Collections	(3,000)	(3,000)	0
Transfer to Promote and develop fishery products and research pertaining to American fisheries from Dept. of Agriculture	79,283	79,283	0
NOAA Commission Officer Corps Retirement	18,504	19,322	818
Fisheries Finance Program Account	6,316	0	(6,316)
Environmental Improvement & Restoration Fund	8,281	8,720	439
Limited Access System Administration Fund	7,444	7,444	0
Damage Assessment & Restoration Revolving Fund	1,000	1,000	0
Federal Ship Financing Fund	(2,000)	(2,000)	0
NTIA - Digital TV Transition and Public Safety Fund	0	45,000	45,000
SUBTOTAL, MANDATORY	135,828	175,769	39,941
Trust Funds	900	900	0
Offsetting receipts	(96,281)	(8,720)	87,561
TOTAL, MANDATORY BUDGET AUTHORITY	40,447	167,949	127,502
 DEPARTMENT OF COMMERCE, BUDGET AUTHORITY	 6,450,576	 6,306,944	 (143,632)

Comparison of FY 2007 Estimate with FY 2005 Actual and FY 2006 Estimate

	2005 Actual		2006 Estimate		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DEPARTMENTAL MANAGEMENT								
Salaries and Expenses	177	\$47,466	189	\$46,860	189	\$56,999	0	\$10,139
HCHB Renovation and Modernization	0	0	0	0	0	18,000	0	18,000
Emergency Steel Guaranteed Loan Program	0	0	0	0	0	(48,607)	0	(48,607)
Nat'l Intellectual Property Law Enf Coord Council	0	1,973	0	0	4	990	4	990
Subtotal, DM	177	49,439	189	46,860	193	27,382	4	(19,478)
OFFICE OF THE INSPECTOR GENERAL	115	21,371	138	22,467	138	22,531	0	64
ECONOMIC DEVELOPMENT ADMINISTRATION								
Salaries & Expenses	199	30,075	200	29,691	200	29,700	0	9
Economic Assistance Development Programs	0	253,985	0	250,741	0	297,467	0	46,726
Subtotal, EDA	199	284,060	200	280,432	200	327,167	0	46,735
BUREAU OF THE CENSUS								
Salaries & Expenses	1,854	196,110	1,843	195,500	1,588	184,067	(255)	(11,433)
Periodic Censuses & Programs	3,597	548,688	4,257	606,363	4,297	694,092	40	87,729
Subtotal, Census	5,451	744,798	6,100	801,863	5,885	878,159	(215)	76,296
ECONOMIC & STATISTICAL ANALYSIS								
Salaries & Expenses	516	78,931	526	79,278	526	80,482	0	1,204
INTERNATIONAL TRADE ADMINISTRATION								
Operations & Administration	2,211	388,257	2,217	393,830	2,217	408,782	0	14,952
U.S. Travel and Tourism Promotion	0	9,866	0	3,949	0	0	0	(3,949)
Subtotal, ITA	2,211	398,123	2,217	397,779	2,217	408,782	0	11,003
BUREAU OF INDUSTRY & SECURITY								
Operations & Administration	361	67,480	415	75,029	418	78,582	3	3,553
MINORITY BUSINESS DEVELOPMENT AGENCY								
Minority Business Development	96	29,500	115	29,641	115	29,641	0	0
NATIONAL OCEANIC & ATMOSPHERIC ADMIN								
Operations, Research & Facilities	11,608	2,765,703	11,781	2,727,036	11,847	2,587,843	66	(139,193)
Procurement, Acquisition and Construction	201	1,039,365	174	1,109,919	181	1,024,467	7	(85,452)
Coastal Impact Assistance Fund	0	0	0	0	0	0	0	0
Fishermen's Contingency Fund	1	492	1	0	1	0	0	0
Foreign Fishing Observer Fund	0	0	0	0	0	0	0	0
Fisheries Finance Program Account	0	628	0	283	0	0	0	(283)
Pacific Coastal Salmon Recovery	0	88,798	0	66,638	0	66,825	0	187
Coastal Zone Management Fund	0	2,960	0	3,000	0	3,000	0	0
Medicare-Eligible Retiree Healthcare Fund	0	0	0	1,645	0	2,012	0	367
Subtotal, NOAA	11,810	3,897,946	11,956	3,908,521	12,029	3,684,147	73	(224,374)
PATENT & TRADEMARK OFFICE								
Salaries & Expenses	6,825	0	7,875	0	8,557	0	682	0
UNDER SECRETARY FOR TECHNOLOGY								
Salaries & Expenses	27	6,460	20	5,923	5	1,485	1,485	(4,438)

	2005 Actual		2006 Estimate		2007 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>
NATIONAL INSTITUTE OF STANDARDS & TECHNOLOGY								
Scientific & Technical Research & Services	1,775	\$378,764	1,909	\$394,762	2,038	\$467,002	129	\$72,240
Industrial Technology Services	276	247,943	217	183,624	107	46,332	(110)	(137,292)
Construction of Research Facilities	42	72,518	58	173,651	60	67,998	2	(105,653)
Subtotal, NIST	2,093	699,225	2,184	752,037	2,205	581,332	21	(170,705)
NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMIN								
Salaries & Expenses	98	17,200	103	17,837	103	17,837	0	0
Public Telecommunications Facilities, Planning and Construction	10	21,478	13	21,719	0	0	(13)	(21,719)
Information Infrastructure Grants	13	0	0	0	0	0	0	0
Subtotal, NTIA	121	38,678	116	39,556	103	17,837	(13)	(21,719)
TOTAL, DEPARTMENT OF COMMERCE	30,002	6,316,011	32,051	6,439,386	32,591	6,137,527	2,040	(301,859)

Summary of Requirements with Detail of Adjustments to Base

	<u>2007 Estimate</u>			
	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			24,176	\$6,461,986
Fee Collections in 2006			7,875	1,691,086
<u>Transfer</u>				
To NASA			0	(\$26,629)
<u>Adjustments</u>				
Restoration of FY 2006 Deobligations	0	\$7,400		
Restoration of unobligated balance rescission	0	32,000		
Restoration of rescissions	0	35,506		
Nonrecurring program increase - NIST	0	(429)		
Unrequested projects (NIST)	0	(137,266)		
FY 2006 Boulder construction (NIST)	0	(13,229)		
Less: Terminations and Unrequested Projects (NOAA)	0	(621,148)		
Adjustment for P&D transfer (NOAA)	0	(10,000)		
Balances from prior year (NIST)	0	8,744		
BA/FTE Reestimate	(54)	367		
Total, Adjustments			(54)	(698,055)
<u>Other Changes</u>				
2006 Pay raise	0	19,910		
2007 Pay raise	0	45,305		
Payment to the Working Capital Fund	0	1,038		
OMAO Wage Marine Overtime	0	96		
Full year cost in 2007 of positions financed for part year in 2006	277	22,143		
Within-grade step increases	0	9,075		
Change in Compensable day	0	(60)		
Civil Service Retirement System (CSRS)	0	(4,129)		
Federal Employees' Retirement System (FERS)	0	15,402		
Thrift Savings Plan	0	972		
Federal Insurance Contributions Act (FICA) - OASDI	0	4,105		
Health insurance	0	12,364		
Employees' Compensation Fund	0	397		
Travel:				
Per diem	0	579		
Mileage	0	908		
Rent payments to GSA	0	3,264		
Rent for New Census Headquarter Building	0	23,516		
NARA	0	(60)		
Printing and reproduction	0	1,865		
Other services:				
Working Capital Fund	0	3,490		
Commerce Business System (CBS)	0	2,279		
NIST Journal Subscriptions	0	108		
Overseas wage increases	0	670		
Overseas price increases	0	401		

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
General pricing level adjustment (PTO not broken out)	0	\$10,017		
Transportation of things	0	\$311		
Rental payments to others	0	495		
Other services	0	16,511		
Communications, utilities, and miscellaneous	0	1,297		
Supplies	0	2,171		
Equipment	0	1,537		
Grants	0	488		
Currency Loss (ITA)	0	1,535		
Military Pouch (ITA)	0	13		
Non-ICASS Local guard service (ITA)	0	52		
CSCSP (ITA)	0	10,952		
Commercial Service Officers COLA Adjustment (ITA)	0	2,000		
MEP Center (NIST)	0	450		
Washington Gas rate increase (NIST)	0	921		
NOAA Norman Facility - OAR	0	770		
Fuel Costs - NMAO	0	2,827		
Subtotal, other cost changes			277	\$215,985
Less Amount Absorbed			0	(58,581)
TOTAL, ADJUSTMENTS TO BASE			223	(567,280)
2007 Base			32,274	7,585,792
Program Changes			317	434,245
TOTAL REQUIREMENTS			32,591	8,020,037
Offsetting fee collections			0	(1,855,966)
Unobligated balance carried forward (NIST/ITS)			0	(8,744)
Recoveries from prior year obligations			0	(17,800)
2007 APPROPRIATION			32,591	6,137,527

Comparison by Bureau of Adjustments to Base, 2007 Estimate and Program Changes

BUREAU	Net Adjustments To Base		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Departmental Management	0	\$0	189	\$46,860	193	\$27,382	4	(\$19,478)
Office of the Inspector General	0	64	138	22,531	138	22,531	0	0
Economic Development Administration	0	0	200	280,432	200	327,167	0	46,735
Bureau of the Census	(52)	43,291	6,048	845,154	5,885	878,159	(163)	33,005
Economic and Statistical Analysis	0	1,204	526	80,482	526	80,482	0	0
International Trade Administration	0	17,952	2,217	419,782	2,217	421,782	0	2,000
U.S. Travel & Tourism Promotion Advisory Board	0	0	0	3,949	0	0	0	(3,949)
Bureau of Industry and Security	3	3,281	418	78,310	418	78,582	0	272
Minority Business Development Agency	0	0	115	29,641	115	29,641	0	0
National Oceanic & Atmospheric Admin.	7	(586,329)	11,963	3,351,792	12,029	3,697,147	66	345,355
Patent and Trademark Office	282	70,226	8,157	1,753,312	8,557	1,842,966	400	89,654
Under Secretary for Technology	0	0	20	5,923	5	1,485	(15)	(4,438)
National Technical Information Service	0	0	0	0	0	0	0	0
National Inst. of Standards & Technology	(17)	(116,969)	2,167	628,068	2,205	594,876	38	(33,192)
National Telecommunications and Info. Admin.	0	0	116	39,556	103	17,837	(13)	(21,719)
TOTAL REQUIREMENTS	223	(567,280)	32,274	7,585,792	32,591	8,020,037	317	434,245
Fee collections						(1,855,966)		
Unobligated balance carried forward (NIST/ITS)						(8,744)		
Recoveries from prior year obligations						(17,800)		
2007 APPROPRIATION					32,591	6,137,527		

Budget Authority by Function

FUNCTION / PROGRAM	2005	2006	2007	Change
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2006 - 2007</u>
300 NATURAL RESOURCES AND ENVIRONMENT				
306 Other natural resources				
National Oceanic & Atmospheric Administration	\$4,013,367	\$3,976,237	\$3,761,147	(\$215,090)
Subtotal, Natural Resources and Environment	4,013,367	3,976,237	3,761,147	(215,090)
370 COMMERCE AND HOUSING CREDIT				
376 Other advancement and regulation of Commerce				
Departmental Management	51,439	46,860	27,382	(19,478)
Inspector General	21,371	22,467	22,531	64
Bureau of the Census	744,798	801,863	878,159	76,296
Economic and Statistical Analysis	78,931	79,278	80,482	1,204
International Trade Administration	392,363	393,830	408,782	14,952
U.S. Travel and Tourism Promotion	9,866	3,949	0	(3,949)
Bureau of Industry and Security	67,480	75,029	78,582	3,553
Minority Business Development Agency	29,500	29,641	29,641	0
National Oceanic & Atmospheric Administration	(73,818)	(92,745)	(80,482)	12,263
Patent and Trademark Office	0	0	0	0
Under Secretary for Technology	6,460	5,923	1,485	(4,438)
National Institute of Standards & Technology	698,103	747,809	586,282	(161,527)
National Telecommunications & Information Administration	17,200	17,837	17,837	0
Subtotal, Commerce and Housing Credit	2,043,693	2,131,741	2,050,681	(81,060)
450 COMMUNITY AND REGIONAL DEVELOPMENT				
452 Area and regional development				
Economic Development Administration	285,496	280,432	327,167	46,735
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES				
503 Research and general education aids				
National Telecommunications & Information Administration	21,478	21,719	0	(21,719)
900 NET INTEREST				
908 Other Interest				
National Oceanic & Atmospheric Administration	0	0	0	0
SUBTOTAL, DISCRETIONARY	6,364,034	6,410,129	6,138,995	(271,134)

Summary

	2005	2006	2007	Change
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>2006 - 2007</u>
MANDATORY				
300 NATURAL RESOURCES AND ENVIRONMENT				
302 Conservation and land management				
National Oceanic & Atmospheric Administration	\$6,836	\$8,281	\$8,720	\$439
306 Other natural resources				
National Oceanic & Atmospheric Administration	18,993	23,948	24,766	818
Subtotal, Natural Resources and Environment	25,829	32,229	33,486	1,257
370 COMMERCE AND HOUSING CREDIT				
376 Other advancement & regulation of Commerce				
Departmental Management	3,334	(87,100)	900	88,000
Bureau of the Census	20,000	20,000	20,000	0
International Trade Administration	5,332	0	0	0
National Oceanic & Atmospheric Administration	82,683	83,599	77,283	(6,316)
National Telecommunications & Information Administration	0	0	45,000	45,000
Subtotal, Commerce and Housing Credit	111,349	16,499	143,183	126,684
900 NET INTEREST				
908 Other Interest				
National Oceanic & Atmospheric Administration	(6,983)	(8,281)	(8,720)	(439)
SUBTOTAL, MANDATORY	130,195	40,447	167,949	127,502
TOTAL, DEPARTMENT OF COMMERCE	6,494,229	6,450,576	6,306,944	(143,632)

Department-Wide Summary of Requirements

BUREAUS / ACCOUNTS	<u>DM</u>	<u>IG</u>	<u>EDA</u>	<u>CENSUS</u>	<u>ESA</u>	<u>ITA</u>	<u>BIS</u>	<u>MBDA</u>	<u>NOAA</u>	<u>PTO</u>	<u>TA/US</u>	<u>NIST</u>	<u>NTIA</u>	<u>TOTAL</u>
FY 2006 Enacted	46,860	22,467	280,432	801,863	79,278	397,779	75,029	29,641	3,963,121	0	5,923	752,037	39,556	6,493,986
Resc. of Unoblig balances									(25,000)			(7,000)		(32,000)
Transfers:														
From NOAA to NASA									(26,629)					(26,629)
Election Assistance Commission to NIST												4,950		4,950
Financing:														
Fee adjustments						13,000				(159,880)				(146,880)
Resc. of Unoblig bal - Steel Program	(48,607)													(48,607)
Restorations:														
Restoration of FY 2006 rescission	0			2,273			251		57,982	0		7,000	0	67,506
Prior year deobligation offset				2,600					0			4,800		7,400
Non-Recurring Costs:														
Nonrecurr travel and tourism promotion						(3,949)								(3,949)
NOAA unrequested projects/earmarks									(618,893)					(618,893)
NOAA FFPA & Retiree health care adjustment									(1,888)					(1,888)
NIST Nuclear waste disposal												(429)		(429)
NIST STRS unrequested projects/earmarks												(11,888)		(11,888)
NIST Boulder construction												(13,229)		(13,229)
NIST CRF unrequested projects/earmarks												(125,378)		(125,378)
Recoveries:														
Prior year deobligations									(13,000)			(4,800)		(17,800)
Pay related increases	1,173	402	896	11,195	2,739	9,650	2,345	523	34,245	56,968	163	8,821	619	129,739
Other cost changes	802	193	279	27,223	525	15,656	685	203	11,578	13,258	107	5,336	402	76,247
Less amount absorbed	(1,975)	(531)	(1,175)	0	(2,060)	(12,354)	0	(726)	(42,724)	0	(270)	(746)	(1,021)	(63,582)
FY 2007 Base	(1,747)	22,531	280,432	845,154	80,482	419,782	78,310	29,641	3,338,792	(89,654)	5,923	619,474	39,556	5,668,676
Program Offsets:														
Survey of Income and Program Participation				(24,645)										(24,645)
Offset for ITA fees						(13,000)								(13,000)
NESDIS Environmental Satellite Observing Sys.									(1,845)					(1,845)
PS Future Healthcare Benefits for Current Officers									(2,012)					(2,012)
PAC NWS Systems Acquisition									(4,965)					(4,965)
PAC NESDIS POES									(11,861)					(11,861)
PAC PS Fisheries Survey Vessels									(18,565)					(18,565)
PAC PS Upgrades NANCY FOSTER, HIIALAKAI									(3,186)					(3,186)
Program decrease											(4,438)			(4,438)
Advanced Technology Program												(78,978)		(78,978)
MEP decrease												(58,314)		(58,314)
Close out NTIA/PTFPC													(21,719)	(21,719)
FY 2007 Program Offsets	0	0	0	(24,645)	0	(13,000)	0	0	(42,434)	0	(4,438)	(137,292)	(21,719)	(243,528)
Subtotal, Base & Program Offsets	(1,747)	22,531	280,432	820,509	80,482	406,782	78,310	29,641	3,296,358	(89,654)	1,485	482,182	17,837	5,425,148

BUREAUS / ACCOUNTS	DM	IG	EDA	CENSUS	ESA	ITA	BIS	MBDA	NOAA	PTO	TA/US	NIST	NTIA	TOTAL
Program Initiatives:														
Blast Mitigation	5,900													5,900
E-Gov Projects	3,641													3,641
Dept-wide Training of Supervisors	598													598
HCHB Renovation and Modernization	18,000													18,000
NIPLECC	990													990
Salaries and expenses			9											9
Economic Development Assistance Programs			46,726											46,726
Economic Census				11,455										11,455
Census of Government				2,673										2,673
Decennial Census 2010				43,522										43,522
APP for Clean Development and Climate						2,000								2,000
ECASS Modernization Initiative							272							272
NOS Navigation services									19,902					19,902
NOS Ocean Res. Conservation & Assessment									11,669					11,669
NOS Ocean & Coastal Management									4,702					4,702
NMFS Protected resources res & mgmt servs									22,496					22,496
NMFS Fisheries Research & mgmt									25,916					25,916
NMFS Habitat Conservation Research Mgmt.									11,198					11,198
NMFS Enforcement & Observers/Training									7,473					7,473
NMFS Other Activities Supporting Fisheries									7,257					7,257
NMFS Alaska Composite									6,724					6,724
OAR Climate research									17,709					17,709
OAR Weather and Air Quality Research									4,931					4,931
OAR Ocean, Coastal, & Great Lakes Research									8,132					8,132
OAR Info Tech, R&D, & Science Education									6,474					6,474
NWS Operations and research									28,654					28,654
NWS System Operation & Maintenance									8,791					8,791
NESDIS Data Centers & Information Services									6,830					6,830
PS Corporate services									13,746					13,746
PS Education Programs									4,100					4,100
PS Facilities									9,395					9,395
PS Environmental Compliance & Safety									1,687					1,687
PS Maritime Crew Safety & Rotation									800					800
PS Operations & Maintenance/New NOAA Vessels									7,492					7,492
PS Aviation Operations									680					680
PAC NOS NERRS									2,305					2,305
PAC NOS Marine Sanctuaries Construction									5,495					5,495
PAC OAR Research Supercomputing									984					984
PAC NWS Construction									11,030					11,030
PAC NESDIS GOES									104,039					104,039
PAC NESDIS NPOESS									20,278					20,278
PAC PS Hydro Survey Launch Construction									2,400					2,400
PAC PS Berthing & Calibration HENRY BIGELOW									4,500					4,500

BUREAUS / ACCOUNTS

	<u>DM</u>	<u>IG</u>	<u>EDA</u>	<u>CENSUS</u>	<u>ESA</u>	<u>ITA</u>	<u>BIS</u>	<u>MBDA</u>	<u>NOAA</u>	<u>PTO</u>	<u>TA/US</u>	<u>NIST</u>	<u>NTIA</u>	<u>TOTAL</u>
Patents										84,028				84,028
Trademarks										5,626				5,626
Enabling Nanotechnology												20,000		20,000
NCNR Expansion & Reliability Improvements												10,000		10,000
Enabling the Hydrogen Economy												10,000		10,000
Manufacturing Innovation through Supply Chain												2,000		2,000
Quantum Information Science												9,000		9,000
Environmental Security for the Nation												2,000		2,000
Synchrotron Measurement Science												5,000		5,000
International Standards & Innovation												2,000		2,000
Innovations in Measurement Science												4,000		4,000
BioImaging												4,000		4,000
Cyber Security												2,000		2,000
Biometrics												2,000		2,000
SCMMR												10,000		10,000
NCNR Expansion & Reliability Improvements												12,000		12,000
Boulder Building 4												3,800		3,800
Boulder Building 1												6,300		6,300
FY 2007 Program Initiatives	29,129	0	46,735	57,650	0	2,000	272	0	387,789	89,654	0	104,100	0	717,329
Offsetting rcpts - Fisheries fin, neg subsidy rcpts														(3,482)
Total, FY 2007 Request	27,382	22,531	327,167	878,159	80,482	408,782	78,582	29,641	3,684,147	0	1,485	586,282	17,837	6,138,995

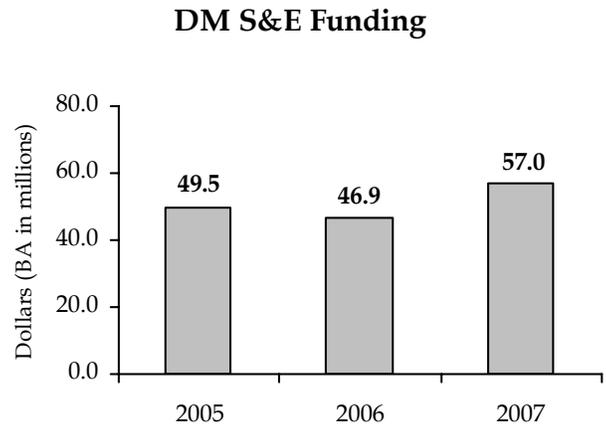
Departmental Management

Within Departmental Management, the Salaries and Expenses account provides funding for the Secretary, Deputy Secretary and support staff. DM develops and implements policy affecting U.S. and international activities as well as establishing internal goals and operations of the Department. DM's functions include serving as the primary liaison with the executive branch, Congressional and private sector groups, and acting as the management and administrative control point for the Department. The Salaries and Expenses account contains Executive Direction that develops and implements Departmental policies and coordinates Bureau program activities to accomplish the Departmental mission. It also includes Departmental Staff Services that develop and implement the Department's internal policies, procedures, and other administrative guidelines.

Departmental Management houses the non-appropriated Advances and Reimbursements and Working Capital Fund accounts. The Advances and Reimbursements account provides a centralized collection source for special tasks or costs and their billing to users. The Working Capital Fund finances, on a reimbursable basis, Department-wide administrative functions that are more efficiently and economically performed on a centralized basis. Bureau funding is provided for centralized services such as legal advice, security, printing, building management, information technology, and procurement services.

Departmental Management also contains the Emergency Steel and Oil & Gas Guaranteed Loan Programs, enacted in FY 1999 to assist the steel, oil, and gas industries.

In FY 2007, the Department is seeking increases that will enhance the health and safety of its employees, and help protect intellectual property rights. The resources requested for the HCHB Renovation and Modernization account will fund activities in the first phase of the renovation and modernization of the Herbert C. Hoover Building. The Department also requests funding under the National Intellectual Property Law Enforcement Coordination Council account, which will be used to coordinate domestic and international intellectual property law enforcement among federal and foreign entities.



Summary of Appropriations

Funding Levels

	2005	2006	2007	Increase
Appropriation	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Salaries and Expenses	\$47,466	\$46,860	\$56,999	\$10,139
HCHB Renovation and Modernization	0	0	18,000	18,000
National Intellectual Property Law				
Enforcement Coordinational Council	1,973	0	990	990
Emergency Steel Guar. Loan Program	0	0	(48,607)	(48,607)
TOTAL APPROPRIATION	49,439	46,860	27,382	(19,478)
Transfer from U.S. AID, 22 U.S.C.2392 (a)	2,000			

Budget Authority

Salaries and Expenses	49,466	46,860	56,999	10,139
HCHB Renovation and Modernization	0	0	18,000	18,000
National Intellectual Property Law				
Enforcement Coordinational Council	1,973	0	990	990
Emergency Steel Guar. Loan Program	0	0	(48,607)	(48,607)
TOTAL DISCRETIONARY BUDGET AUTHORITY	51,439	46,860	27,382	(19,478)

Mandatory: (Credit Reestimate)

Emergency Steel Guar. Loan Program	4,755	0	0	0
TOTAL MANDATORY BUDGET AUTHORITY	4,755	0	0	0

FTE*

Salaries and Expenses	177	189	189	0
Reimbursable	56	63	63	0
HCHB Renovation and Modernization	0	0	0	0
National Intellectual Property Law				
Enforcement Coordinational Council	0	0	4	4
Working Capital Fund	578	602	602	0
Franchise Fund	23	21	21	0
Total FTE	834	875	879	4

*The FTE levels for FY 2007 have been adjusted to reflect recent budget decisions. As a result, the levels shown above are different from the levels reflected in the President's Budget.

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>
2006 Appropriation			189	\$46,860
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$361		
2007 Pay raise		378		
Payment to the Working Capital Fund		118		
Civil Service Retirement System (CSRS)		(51)		
Federal Employees Retirement System (FERS)		150		
Thrift Savings Plan		30		
Federal Insurance Contributions Act (FICA) -OASDI		28		
Health insurance		75		
Employees' Compensation Fund		84		
Travel				
Per Diem		2		
Mileage		1		
Rent payments to GSA		44		
Printing and reproduction		1		
Other services:				
Working Capital Fund		549		
NARA		2		
General Pricing Level Adjustments:				
Rental payments to others		1		
Communications, utilities & misc. charges		5		
Other services		171		
Supplies and materials		5		
Equipment		21		
Subtotal, other cost changes			0	1,975
TOTAL, ADJUSTMENTS TO BASE			0	1,975
Less amount absorbed **				(1,975)
2007 Base			189	46,860
Program Changes			0	10,139
2007 APPROPRIATION			189	56,999

*The FTE level for this account has been adjusted to reflect recent budget decisions. As a result, the level shown above is different from the level reflected in the President's Budget.

** Departmental Management will absorb a total of \$1,975,000 through reductions in contracting services

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Executive Direction	90	\$21,222	90	\$19,011	90	\$22,895	0	\$3,884
Departmental Staff Services	99	27,849	99	27,849	99	34,104	0	6,255
TOTAL DIRECT OBLIGATIONS	189	49,071	189	46,860	189	56,999	0	10,139
ADVANCES & REIMBURSEMENTS								
COMMITTS	8	210,544	8	200,000	8	200,000	0	0
GSA Rent	0	32,757	0	33,266	0	33,266	0	0
Other	55	25,772	55	26,173	55	26,173	0	0
Total Reimbursable Obligations	63	269,073	63	259,439	63	259,439	0	0
TOTAL OBLIGATIONS	252	318,144	252	306,299	252	316,438	0	10,139
FINANCING								
Unobligated balance, start of year (Direct)		2,211						
Unobligated balance, start of year (Reimbursable)		10,544						
Offsetting collections from:								
Federal funds	(63)	(258,529)			(69)	(259,439)		
Subtotal, financing	(63)	(271,284)			(69)	(259,439)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	189	46,860			183	56,999		

Highlights of Program Changes

	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Departmental Staff Services	105	\$27,849	0	+\$6,255
Blast Mitigation			0	+\$5,900

The Department seeks to improve the security of the Herbert C. Hoover Building (HCHB) by increasing safeguards against explosive devices and Chemical\Biological\Radiological (CBR) attacks. This will be accomplished by installation of blast resistant windows on window system locations within the Department’s headquarters location. This work, along with necessary interior finishing adjustments will serve to reduce the amount of glass fragments and therefore reduce the degree of injuries to building occupants should an explosive device detonate. In the event of a CBR attack, air filtration from toxic substances would be significantly reduced providing employees with precious minutes to escape the building or enabling them to “shelter-in-place,” if required. This request supports the Administration’s priorities to provide secure work environments while protecting critical assets and maintaining continuity of essential government functions during times of national emergency. In FY 2007, funding is requested to provide blast resistant windows for approximately one-third of the facility.

Department-wide Training of Supervisors (portion within Departmental Staff Services) 0 +\$355

Additional performance management training is planned for staff to better link agency mission accomplishment to individual performance.

	<u>FTE</u>	<u>Base</u> <u>Amount</u>	<u>Increase / Decrease</u> <u>FTE</u>	<u>Amount</u>
<u>Executive Direction</u>	96	\$19,011	0	+\$3,884
E-Government Initiatives			0	+\$3,641

This increase will fund initiatives related to expanding Electronic Government. The President has made expanding E-Government integral to a five-part Management Agenda for making government more focused on citizens and results. These initiatives integrate agency operations and IT investments. Department-wide coordination and oversight is provided by the Department's CIO.

1. Business Gateway - \$329 - Will reduce the burden on citizens and businesses in locating and submitting Federal forms, through a single web site for citizens and businesses to find, fill, sign and submit any form required by the Federal Government.
2. E-Authentication - \$749 - Will provide a systematic means of "e-Authentication," that is, authenticating the identity of the remote party to an E-government transaction over the Internet and World Wide Web. Many Government services require that agencies know with some certainty with whom they are dealing over the Internet, thus requiring authentication.
3. E-Rulemaking - \$855 - Will provide a central Federal portal for announcing proposed new rules and receiving comments, as well as managing entire dockets.
4. Grants.gov - \$521 - Will create a single portal to find, apply for, and ultimately, manage grants on-line.
5. Integrated Acquisition - \$174 - Will allow agencies to begin sharing common data elements to enable more informed procurement, logistical, payment and performance assessment decisions.
6. International Trade Process Streamlining - \$740 - Will make it easier for Small and Medium Enterprises (SMEs) to obtain the information and documents necessary to conduct business abroad.
7. Grants Management (Line of Business) (LoB) - \$60 - Will provide a government-wide solution to support end-to-end grants management activities that promote citizen access, customer service, and agency financial and technical stewardship.
8. Financial Management (LoB) - \$83 - Will develop a government-wide financial management system business strategy that identifies efficiencies, improves business performance, and reduces costs while continuing support for agency performance accountability, financial controls, and mission effectiveness.
9. Human Resources (LoB) - \$130 - Will develop a modern, cost effective, standardized, and integrated Human Resources Information System that will support the strategic management of human capital.

Department-wide Training of Supervisors (portion within Executive Direction)		0	+\$243
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Additional performance management training is planned for staff to better link agency mission accomplishment to individual performance.

Appropriation: HCHB Renovation and Modernization

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$0
2007 Base	0	0
Program Changes	0	18,000
2007 APPROPRIATION	0	18,000

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
HCHB Renovation & Modernization	0	\$0	0	\$0	0	\$18,000	0	\$18,000
TOTAL DIRECT OBLIGATIONS	0	0	0	0	0	18,000	0	18,000
REIMBURSABLE OBLIGATIONS	0	0	0	0	0	0	0	0
TOTAL OBLIGATIONS / BA / APPROPRIATION	0	0	0	0	0	18,000	0	18,000

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
HCHB Renovation and Modernization Project	0	\$0	+0	+\$18,000

This program increase will provide \$18.0 million, to be made available until expended, for renovation of the HCHB. The 73-year old HCHB is one of the last historic buildings in the Federal Triangle to be scheduled for renovation and modernization. For over three years, the General Services Administration's (GSA) Public Buildings Service, the owner of HCHB, has studied the infrastructure, systems and interior spaces of the HCHB to determine the necessary repairs and improvements to mechanical, electrical and structural components within a context of less than total demolition and reconstruction. GSA will begin renovation of the building in FY 2006 with their existing funds.

The mechanical, electrical, and plumbing systems in the building are beyond their useful lives. There are numerous infrastructure problems and subsequently an inefficient use of space. All of these factors create conditions that do not meet Federal health and safety codes, industry standards and GSA guidelines and create health and safety concerns for Department of Commerce employees. The planned renovation will upgrade infrastructure and remove safety hazards, increase usable space and energy efficiency, extend the building's useful life, and incorporate security upgrades.

GSA and the Department of Commerce (DOC) are both responsible for a share of the costs for the project. GSA's preliminary estimate for the project is \$483,000,000 for GSA costs plus \$208,100,000 for DOC costs. GSA's and DOC's portions of the renovation and modernization must be funded simultaneously so that design, installation, and moves can be coordinated.

The HCHB will be renovated in three major phases. Approximately one-third of the tenants will be relocated to leased swing space to enable one-third of the building to be vacated for each of the three construction phases. These tenants will

remain in leased swing space for the duration of the project. The remaining tenants will be relocated to internal swing space throughout the building during each construction phase. The three major phases will be preceded by a phase for renovation of the sub-basement that will provide storage, computer room, and internal swing space before the onset of the renovation of the three major phases. This phase, preceding the three major phases, is referred to as Phase 1 and will impact the sub-basement space at the north side of the HCHB. The planned schedule is as follows:

Phase 1 (part one) - FY 2006 to FY 2007	Sub-basement construction and exterior work
Phase 1 (part two) - FY 2008	Build-out and move to leased swing space
Phase 2 - FY 2008 to FY 2011	South portion of the HCHB
Phase 3 - FY 2011 to FY 2014	Center portion of the HCHB
Phase 4 - FY 2014 to FY 2016	North portion of the HCHB

GSA has already received funds for renovation work and will begin this process in FY 2006. Commerce funds are required in FY 2007 to finalize Phase 1 per the above schedule. A delay in funding Commerce costs for the project would prevent GSA from beginning Phase 2 of the renovation until 2009, resulting in project costs for Phase 2 and beyond for both GSA and DOC escalating more than 3% for one year.

Appropriation: National Intellectual Property Law Enforcement Coordination Council

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$0
2007 Base	0	0
Program Changes	4	990
2007 APPROPRIATION	4	990

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
National Intellectual Property Law Enforcement Coordination Council	0	\$1,973	0	\$0	4	\$990	4	\$990
TOTAL DIRECT OBLIGATIONS	0	1,973	0	0	4	990	4	990
REIMBURSABLE OBLIGATIONS	0	0	0	0	0	0	0	0
TOTAL OBLIGATIONS	0	1,973	0	0	4	990	4	990
FINANCING								
Unobligated balance, start of year	0	(1,973)			0	0		
Offsetting collections from:								
Federal funds	0	0			0	0		
Subtotal, financing		(1,973)			0	0		
TOTAL BUDGET AUTHORITY	0	0			4	990		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
National Intellectual Property Law Enforcement Coordination Council	0	\$0	+4	+\$990

This program increase will provide \$990,000 to fund the National Intellectual Property Law Enforcement Coordination Council (NIPLECC) administration in FY 2007.

Congress established NIPLECC on September 29, 1999, via P.L. 106-58, Section 633, and assigned it one substantive task: to “coordinate domestic and international intellectual property law enforcement among federal and foreign entities.” 15 U.S.C. § 1128(b). It was amended in 2004, via P.L. 108-447, which created the position of Coordinator for International Intellectual Property Enforcement. Subsequently, the President appointed a Coordinator to head NIPLECC and develop strategies for FY 2006 and beyond in consultation with NIPLECC’s current members.

NIPLECC is an inter-agency group responsible for coordinating the U.S. domestic and international intellectual property enforcement activities. Its mission: “To leverage the capabilities and resources of the Federal Government to provide a secure and predictable global environment for American intellectual property.” In 1999, Congress recognized the lack of inter-agency coordination with respect to intellectual property (IP) enforcement efforts, and the diminishing effectiveness of the federal agencies’ enforcement efforts by duplicating and sometimes contradicting each other’s work. It created NIPLECC to ensure coordination and enhance effectiveness, by providing agencies a framework through which to notify, organize, and coordinate IP enforcement work. The statute requires NIPLECC to report to the President and Congress, creating an accountability mechanism for all agencies involved.

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>
2006 Operating Level			602	\$135,889
Adjustments to Base				
<u>Adjustments</u>				
Transfer of costs for bureau-specific guard contracts to bureaus			0	(2,012)
<u>Other Changes</u>				
2006 Pay raise		\$866		
2007 Pay raise		1,070		
Civil Service Retirement System (CSRS)		(147)		
Federal Employees' Retirement System (FERS)		430		
Thrift Savings Plan		42		
Federal Insurance Contributions Act (FICA) - OASDI		111		
Health insurance		338		
Travel:				
Mileage		3		
Per Diem		7		
Rent payments to GSA		96		
Printing and reproduction		6		
Other Services:				
GSA Steam Bill		555		
Commerce Business System		(1,775)		
General Pricing Level Adjustment:				
Communications, utilities, & misc.		60		
Other services		834		
Supplies and materials		31		
Equipment		42		
Subtotal, other cost changes			0	2,569
TOTAL, ADJUSTMENTS TO BASE			0	557
Less amount absorbed**			0	(557)
2007 Base			602	135,889
Program Changes			0	2,838
2007 OPERATING LEVEL			602	138,727

*The FTE level for this account has been adjusted to reflect recent budget decisions. As a result, the level shown above is different from the level reflected in the President's Budget.

** Departmental Management will absorb a total of \$1,975,000 through reductions in contracting services

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
REIMBURSABLE OBLIGATIONS								
General Counsel	184	\$31,000	184	\$31,000	184	\$31,000	0	\$0
Chief Information Officer	32	12,162	32	12,162	32	14,650	0	2,488
Public Affairs	12	2,195	12	2,195	12	2,195	0	0
Departmental Staff Services	374	98,545	374	90,532	374	90,882	0	350
TOTAL REIMBURSABLE OBLIGATIONS	602	143,902	602	135,889	602	138,727	0	2,838
FINANCING								
Unobligated balance, start of year		(8,013)						
Offsetting collections from:								
Federal funds	(602)	(135,889)			(602)	(138,727)		
Subtotal, financing	(602)	(143,902)			(602)	(138,727)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	0	0			0	0		

Highlights of Program Changes

<u>Departmental Staff Services</u>	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Commerce Standard Acquisition and Reporting System (CSTARS) Web Base	394	\$90,532	+0	+\$350

The Department of Commerce (DOC) seeks to modernize their current acquisition systems and business processes while ensuring compliance with all Federal legislation and initiatives. This initiative will provide an integrated and modernized, web-based acquisition system for all users, vendors and contractors to communicate with DOC while meeting all Federal and agency-wide security policies, specifically the DOC Office of IT Policy and Planning guidelines. This system will handle end-to-end lifecycle activities; streamline and standardize business processes and acquisition activities. The web-based platform proposed will be a Commercial Off-the-Shelf (COTS) product that is mature, provides a solution that is based on best practices, and is integrated with financial systems. It will provide accurate vendor and account code data, real time financial commitments and obligations, along with improved payment processing (including reconciliation, receipts, invoicing and payment data). The system will provide consolidated acquisition data and provide improved reporting capabilities by centralizing data repositories. The web-based platform will improve performance and increase efficiencies in the quality and timeliness of acquisition processing.

Chief Information Officer

Network Operations Center Equipment Replacement and Maintenance	34	\$12,162	+0	+\$2,488
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The HCHB network provides common, standardized and high-speed infrastructure to Department of Operating Unit networks. The HCHB Network infrastructure includes an equipment inventory which provides mission critical network, Voice over Internet Protocol (VoIP) telephone, Emergency Broadcast System (EBS), Public Address System (PAS) and other services to the 4,200 employees housed in the Hoover Building, as well as to some remote sites. This equipment will

be six years old in FY 2007 and is nearing the end of its life expectancy based on industry standards. The Department has estimated an annual amount that would need to be allocated to replace the obsolete hardware on a rotating basis. This approach provides a base budget that includes replacement of obsolete hardware and would not result in "emergency" allocations or cyclical special requests. With approximately \$10,000,000 in inventory, and using a conservative life cycle of 6 years, the replacement cost per year is \$1,638,000.

In addition to the hardware replacement, an \$850,000 increase is necessary to adequately provide the required maintenance on the current equipment inventory. Network servers, switches, telephones and other equipment require maintenance during the years before replacement. The maintenance costs are estimated based on 15% of the investment costs. This requirement is necessary in order to maintain the current inventory while providing efficient and effective support for network and systems administration.

Direct Cost by Office

	2007 Estimate	
	<u>FTE</u>	<u>Amount</u>
Offices		
Human Resources Management	50	\$15,569
Civil Rights	14	2,324
Financial Management	48	15,309
Security	126	25,577
Administrative Services	106	25,358
Acquisition Management	28	6,459
Management and Organization	2	286
Subtotal, Departmental Staff Services	374	90,882
Chief Information Officer	32	14,650
General Counsel	184	31,000
Public Affairs	12	2,195
Total Working Capital Fund	602	138,727

Distribution by Bureau

	FY 2007
Bureaus	<u>Amount</u>
Office of the Secretary	\$10,402
Office of Inspector General	1,790
Economic Development Administration	2,473
Bureau of the Census	25,059
Economic and Statistical Analysis	2,964
International Trade Administration	30,083
Bureau of Industry and Security	8,395
Minority Business Development Agency	2,308
National Oceanic and Atmospheric Administration	34,425
Patent and Trademark Office	2,555
Technology Administration	1,056
National Institute of Standards and Technology	11,282
National Technical Information Service	559
National Telecommunications and Information Administration	3,976
Office of Computer Services	314
Total Commerce Bureaus	<u>137,641</u>
Other Agencies	<u>1,086</u>
Total	138,727

Appropriation: Emergency Oil and Gas Guaranteed Loan Program

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation		\$0
Adjustments		0
2007 Base		0
Program Changes		0
2007 APPROPRIATION		0

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Guarantee Loan Subsidy	0	\$0	0	\$0	0	\$0	0	\$0
Admin. Expenses	0	442	0	0	0	0	0	0
Subtotal, Discretionary Oblig.	0	442	0	0	0	0	0	0
Credit Reestimates	0	0						
TOTAL DIRECT OBLIGATIONS	0	442			0	0		
FINANCING								
Unobligated balance, start of year		(442)						
Unobligated balance, withdrawn		0						
Unobligated balance, end of year		0						
Subtotal, financing	0	(442)			0	0		
TOTAL DISCRETIONARY BUDGET AUTHORITY	0	0			0	0		

Appropriation: Emergency Steel Guaranteed Loan Program

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation		\$0
Adjustments		0
2007 Base		0
Program Changes		(48,607)
2007 APPROPRIATION		(48,607)

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Guarantee Loan Subsidy	0	\$0	0	\$0	0	\$0	0	\$0
Admin. Expenses	0	1,640	0	0	0	0	0	0
Subtotal, Discretionary Oblig.	0	1,640	0	0	0	0	0	0
Credit Reestimates (Mandatory)	0	0						
TOTAL DIRECT & MANDATORY	0	1,640			0	0		
FINANCING								
Unobligated balance, start of year		(50,247)				(48,607)		
Expired balances lapsing		0						
Unobligated balance, end of year		48,607				0		
Subtotal, financing	0	(1,640)			0	(48,607)		
TOTAL DISCRETIONARY	0	0			0	(48,607)		
BUDGET AUTHORITY								
TOTAL, MANDATORY BUDGET AUTHORITY	0	0						

Highlights of Program Changes

In FY 2007, the Department proposes rescinding \$48.6 million from this account, as the history of this program indicates these funds are no longer required. This rescission would eliminate the loan subsidy for this program.

Since Fiscal Year (FY) 2002, the number of serious loan applications received by the board has significantly decreased. In FY 2005, no loan applications were received by the board and the extension of loan authority is not expected to increase the flow of loan applications. The last loan guarantee was made in FY 2003.

DM Performance Measures

Departmental Management performance measures monitor the Department's progress in providing policy oversight and administrative support services, which represent the bulk of DM's activity. These measures are closely aligned with the government-wide management initiatives established in the President's Management Agenda.

The following table shows the measures that DM uses to gauge its performance. A more detailed description of these goals and measures is in the DM section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Goal 1: Identify and effectively manage human and material resources critical to the success of the Department's strategic goals.	\$56.4*	\$56.6	\$81.6
Provide accurate and timely financial information and conform to Federal standards, laws and regulations governing accounting and financial management	Eliminate any reportable condition within one year of the determination that there is a reportable condition; 90% of management that have access to the Consolidated Reporting System (CRS) have financial data / reports available within one day of the 15 th of the month after submitting the raw data to the CRS	Eliminate any reportable condition within one year of the determination that there is a reportable condition; 95% of management that have access to the Consolidated Reporting System (CRS) have financial data / reports available within one day of the 15 th of the month after submitting the raw data to the CRS.	Eliminate any reportable condition within one year of the determination that there is a reportable condition; 95% of management that have access to the Consolidated Reporting System (CRS) have financial data / reports available within one day of the 15 th of the month after submitting the raw data to the CRS. Migrate the Commerce Business System (CBS) to an all web-based architecture by the end of FY 2007 to ensure the useful life of CBS through 2012.
Effectively use competitive sourcing	New FY 05-06 feasibility studies have been nominated. FAIR inventory has been scrubbed to determine candidates for feasibility studies.	Finalize new competition plan based on August 2005 CFO council outcome. The plan will lay out DOC short and long-range plans to conduct feasibility studies of all major commercial (and available) functions and will identify approved competitions to be conducted in the FY 06-07 timeframe.	Update and/or continue to implement FY 06 plan to conduct feasibility studies of DOC commercial (and available) functions to determine potential new competitions/studies in the out years.
Obligate funds through performance-based contracting	<50% of eligible service contracting dollars	50% of eligible service contracting dollars	50% of eligible service contracting dollars

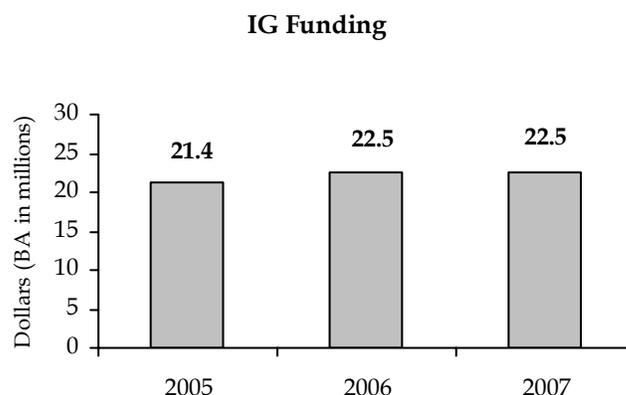
* This dollar amount has been updated as of December, 2005 (after the Performance and Accountability Report for FY 2005). Does not include internal reimbursables.

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Acquire and maintain diverse and highly qualified staff in mission-critical occupations	Underrepresented RNO groups improved from 28% to 29%; increased number of courses and established baseline of 26,845 users from evaluation of learning management system; maintained 30-day fill-time.	Improve recruitment strategies through more targeted recruitment activities; assist managers in making better selections through training and improvements to selection tools; further close skill gaps in workforce through training and development activities.	Improve recruitment strategies through more targeted recruitment activities; assist managers in making better selections through training and improvements to selection tools; further close skill gaps in workforce through training and development activities.
Improved management of information technology (IT)	IT investments under development have cost/schedule overruns and performance shortfalls of averaging less than 10%; POA&M action items to complete certification and accreditation are documented and on schedule.	IT investments under development have cost/schedule overruns and performance shortfalls averaging less than 10% and all national critical and mission critical systems are certified and accredited in accordance with the Department's IT security policy.	IT investments under development have cost/schedule overruns and performance shortfalls averaging less than 10% and all national critical and mission critical systems are certified and accredited in accordance with the Department's IT security policy with acceptable quality documentation in place.

Note: Funding levels reflect direct and external reimbursable funding. Funds for the Working Capital Fund and the Franchise Fund are appropriated to bureaus, and do not appear in these DM totals.

Office of the Inspector General

Public officials and others entrusted with public resources are responsible for applying those resources economically, efficiently, and effectively to achieve established goals. The Office of the Inspector General (OIG) ensures government employees and others managing federal resources comply with applicable laws and regulations and actively work to prevent fraud, waste, and abuse in program operations. Through audits, inspections, evaluations, and investigations, OIG monitors and tracks the use of taxpayer dollars in federally funded programs. OIG's purpose is to keep the heads of the various Commerce units, the Office of the Secretary, and Congress fully and currently informed about issues, problems and deficiencies relating to the administration of programs and operations and the need for corrective action.



The audit function involves performance and financial audits and attestation engagements. 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, internal controls set forth by OMB, and financial laws and regulations. Attestation engagements utilize agreed-upon procedures to examine and report results on a particular subject matter. Inspections are designed to give agency managers timely and useful information about operations, including current and foreseeable problems. Program evaluations are in-depth reviews of specific management issues, policies, or programs, while systems evaluations focus on system development, 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 concentrates on programs and operations that have the greatest potential for identifying fraud, recovering funds, precluding unnecessary outlays, and improving management.

Summary of Appropriations

Funding Levels

	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase (Decrease)
Appropriation				
Inspector General	\$21,371	\$22,467	\$22,531	\$64
FTE				
Inspector General	115	138	138	0

Highlights of Budget Changes

Appropriation: Office of the Inspector General

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			138	\$22,467
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$91		
2007 Pay raise		274		
Payment to the Working Capital Fund		11		
Civil Service Retirement System (CSRS)		(60)		
Federal Employees' Retirement System (FERS)		145		
Thrift Savings Plan		(205)		
Federal Insurance Contributions Act (FICA) -OASDI		25		
Health insurance		81		
Employees' Compensation Fund		40		
Travel:				
Per Diem		3		
Mileage		3		
Rent payments to GSA		20		
Other services:				
Working Capital Fund		149		
GPO Printing		1		
Communications, Utilities, & misc.		2		
Other services		14		
Supplies and materials		1		
Subtotal, other cost changes			0	595
Less Amount Absorbed *				(531)
TOTAL, ADJUSTMENTS TO BASE			0	64
2007 Base			138	\$22,531
Program Changes			0	0
2007 APPROPRIATION			138	\$22,531

* OIG will absorb the adjustments-to-base through adjustments to hiring plans and a reduction of purchases of scalable goods and services.

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Inspector General	138	\$22,467	138	\$22,531	138	\$22,531	0	\$0
TOTAL DIRECT OBLIGATIONS	138	22,467	138	22,531	138	22,531	0	0
REIMBURSABLE OBLIGATIONS		200		200		200	0	0
TOTAL OBLIGATIONS	138	22,667	138	22,731	138	22,731	0	0
FINANCING								
Offsetting collections from:								
Federal funds		(200)				(200)		
TOTAL BUDGET AUTHORITY /	138	22,467			138	22,531		
 APPROPRIATION								

OIG Performance Measures

OIG performance measures and targets focus on Commerce's diverse mission and critical programs and operations that are administered in a dynamic environment -- one that is greatly influenced by ever-changing conditions. As the Department works to accomplish its mission, OIG provides a unique, independent voice to the Secretary and other senior Commerce managers, as well as to Congress, in keeping with its mandate to promote integrity, efficiency, and effectiveness; and prevent and detect waste, fraud, and abuse in Department programs and operations. This work is primarily accomplished through audits, inspections, evaluations, and investigations and a variety of activities geared toward averting problems. Moreover, in FY 2006, OIG will continue to move its efforts forward to help achieve organization and management excellence by continuing to:

- Perform high quality, timely work;
- Concentrate its efforts on the Department's most critical programs, operations, challenges, and vulnerabilities, and;
- Achieve results that allow government funds to be put to better use and address criminal, civil, and other wrongdoing.

The following table shows the measures that OIG uses to gauge its performance. A more detailed description of these goals and measures is in the OIG section of the Department of Commerce budget.

Performance Goal (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 Estimate / <u>Target</u>	2007 Estimate / <u>Target</u>
Goal: Promote improvements to Commerce programs and operations by identifying and completing work that (1) promotes integrity, efficiency, and effectiveness and (2) prevents and detects fraud, waste and abuse	\$21.6	\$22.7	\$22.7
% of OIG recommendations accepted by departmental and bureau management	99.0%	95%	95%
Dollar value of financial benefit identified by OIG	\$32.0	\$29.6	\$29.6
% of criminal and civil matters that are accepted for prosecution	81%	65%	63%

Note: Total obligations may differ from the reports in the other tables in this section and Congressional Justification exhibits due to the inclusion of prior year funds in the amounts cited above.

Bureau of the Census

The mission of the Bureau of the Census, within the Economics and Statistics Administration, is to serve as the leading source of quality data about the Nation's people and economy. To accomplish this mission, the Bureau of the Census measures those trends and segments of our population and economy most critical to continued American success and prosperity.

The Bureau of the Census's FY 2007 budget request will enable it to achieve its performance goal "to meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy and governments." The Bureau of the Census plans to continue its

cyclical programs, which set the benchmark for critical national data. These include the economic census and the census of governments, conducted every five years, and the deliberate ramp-up to the re-engineered 2010 Census. The 2010 Census preparations include focusing on early planning and development efforts; improving the accuracy of map feature locations; and continuing the American Community Survey. Underlying these censuses and on-going current surveys is the cyclical demographic surveys sample redesign activity. Samples used in the surveys are re-identified every decade after the decennial census to ensure that they are actually representative of the American population, benefiting all federal statistical agencies.

The Bureau of the Census continually re-evaluates each of its programs to see how it can best continue to meet the needs of policymakers, businesses, and the public. As part of this ongoing evaluation, the FY 2007 Budget proposes to reform the Survey of Income and Program Participation (SIPP) program from its current structure and end the Vehicle Inventory and Use Survey in the Economic Census. The FY 2007 budget request includes funds to design a new data collection system on income and wealth dynamics to meet the policy and operational needs of the country. Further details are provided under the "Highlights of Budget Changes" section.

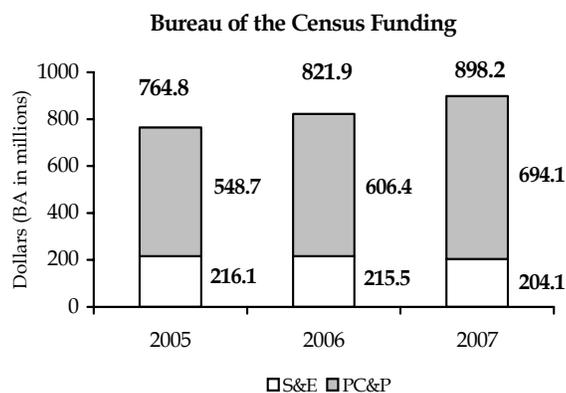
The Bureau of the Census is funded through the following appropriations:

The **Salaries and Expenses** appropriation provides for monthly, quarterly and annual surveys, and other programs that require a constant annual funding level. The Bureau of the Census's current economic programs count and profile U.S. businesses and government organizations. Current population and housing surveys and analysis provide detailed and integrated information on the social, demographic, economic and housing conditions of the U.S. These programs are used for planning by both the public and private sectors.

The **Periodic Censuses and Programs** appropriation funds the decennial census conducted every ten years, the economic census and the census of governments, which are conducted every five years, and other programs. The American Community Survey (ACS), which replaces the 'long form' in the decennial census, produces annual detailed community demographic data. This data is a valuable resource for both federal and local decision-makers.

The **Survey of Program Dynamics** (SPD) was established and funded through mandatory appropriations by the Personal Responsibility and Work Opportunity Reconciliation Act of FY 1996, also known as the Welfare Reform Act, (P.L. 109-68, Extended). The SPD provides policy makers with socioeconomic data to evaluate the impact of the welfare reforms on state welfare program recipients.

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



The **Working Capital Fund (WCF)** is a non-appropriated account used to finance services within the Bureau of the Census, which are more efficiently performed on a centralized basis. The WCF also includes reimbursable work the Bureau of the Census performs for other Federal agencies, state and local governments, foreign governments and the private sector.

Summary of Appropriations

Funding Levels

	2005	2006	2007	Increase
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Discretionary Appropriations				
Salaries and Expenses	\$196,110	\$195,500	\$184,067	(\$11,433)
Periodic Censuses and Programs	548,688	606,363	694,092	87,729
Total Discretionary Appropriation	744,798	801,863	878,159	76,296
Permanent Appropriation				
Survey of Program Dynamics	10,000	10,000	10,000	0
State Children's Health Insurance Program	10,000	10,000	10,000	0
Budget Authority				
Salaries and Expenses	216,110	215,500	204,067	(11,433)
Periodic Censuses and Programs	548,688	606,363	694,092	87,729
TOTAL BUDGET AUTHORITY	764,798	821,863	898,159	76,296
FTE				
Salaries and Expenses	1,854	1,843	1,588	(255)
Periodic Censuses and Programs	3,597	4,257	4,297	40
Mandatory	231	305	305	0
Working Capital Fund	2,751	2,828	2,947	119
Total FTE	2,982	3,133	3,252	119

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>
2006 Appropriation			1,843	\$195,500
Adjustments to Base				
<u>Adjustments</u>				
Restoration of FY 2006 .28% rescission				554
Base transfer to restore to FY06 rescission in PCP				(3,580)
FTE realignment			(42)	
<u>Other Changes</u>				
2006 Pay raise		\$1,077		
2007 Pay raise		2,207		
Payment to the Working Capital Fund		185		
Full Year Cost of Part-Year Positions in Prior Year	2	148		
Civil Service Retirement System(CSRS)		(219)		
Federal Employees' Retirement System(FERS)		754		
Thrift Savings Plan		32		
Federal Insurance Contributions Act (FICA) -OASDI		204		
Health insurance		726		
Employees' Compensation Fund		(1)		
Travel - Mileage		85		
Rental payments to GSA		126		
Additional Rent for New HQ Building		9,980		
Printing and reproduction		11		
Other services:				
NARA		(3)		
Working Capital Fund		(117)		
Commerce Business System		364		
General Pricing Level Adjustment:				
Transportation of things		3		
Communications, Utilities & misc.		13		
Other services		580		
Supplies and materials		30		
Equipment		53		
Subtotal, other cost changes			2	16,238
TOTAL, ADJUSTMENTS TO BASE			(40)	13,212
2007 Base			1,803	208,712
Program Changes			(215)	(24,645)
2007 APPROPRIATION			1,588	184,067

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Current surveys and statistics								
Current economic statistics	1,180	\$134,902	1,182	\$148,603	1,182	\$148,603	0	\$0
Current demographic statistics	634	57,221	592	56,386	377	31,741	(215)	(24,645)
Survey development & data serv.	29	3,377	29	3,723	29	3,723	0	0
Subtotal, Discretionary Obligations	1,843	195,500	1,803	208,712	1,588	184,067	(215)	(24,645)
Survey of Program Dynamics	99	10,000	99	10,000	99	10,000	0	0
Children's Health Insurance Program	206	10,000	206	10,000	206	10,000	0	0
TOTAL DIRECT OBLIGATIONS	2,148	215,500	2,108	228,712	1,893	204,067	(215)	(24,645)
FINANCING								
Unobligated balance, start of year	0	0	0	0	0	0	0	0
Subtotal, financing	0	0	0	0	0	0	0	0
Less Permanent Appropriation	(305)	(20,000)	(305)	(20,000)	(305)	(20,000)	0	0
TOTAL DISCRETIONARY BUDGET	1,843	195,500	1,803	208,712	1,588	184,067	(215)	(24,645)
AUTHORITY / APPROPRIATION								

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Current Demographic Statistics	592	\$56,386	-215	-\$24,645

For the past two decades, the Survey of Income and Program Participation (SIPP) has been the leading source of information on the well-being of Americans. However, the program has room for improvement, and has not taken advantage of advancements the Bureau has made in other program areas, notably the American Community Survey. Therefore, the FY 2007 budget request includes sufficient base funds for the design of a new data collection system on income and wealth dynamics to meet the policy and operational needs of the country. This redesigned system will replace the SIPP and address the shortcomings that emerged in the current system over its two decades of use. In addition, FY 2007 request includes funds to facilitate the collection of another wave (i.e., a ninth wave) of 2004 SIPP panel data during FY 2007.

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>
2006 Appropriation			4,257	\$606,363
Adjustments to Base				
<u>Adjustments</u>				
FTE Reestimate	(12)			
Restoration of FY 2006 deobligations		2,600		
Base Transfer to restore FY 2006 Rescission		3,580		
Restoration of FY 2006 28% rescission		1,719		
Subtotal Adjustments			(12)	7,899
<u>Other Changes</u>				
2006 Pay raise		\$1,394		
2007 Pay raise		2,960		
Civil Service Retirement System(CSRS)		(264)		
Federal Employees' Retirement System(FERS)		910		
Thrift Savings Plan		38		
Federal Insurance Contributions Act (FICA) -OASDI		276		
Health insurance		924		
Employees' Compensation Fund		(156)		
Travel				
Per diem		(2)		
Mileage		663		
Rent payments to GSA		147		
Additional Rent for New HQ Building		13,536		
Printing and reproduction		74		
General Pricing Level Adjustment:				
Transportation of things		15		
Communications, Utilities & misc.		32		
Other services		1,407		
Supplies		87		
Equipment		139		
Subtotal, other cost changes			0	22,180
TOTAL, ADJUSTMENTS TO BASE			(12)	30,079
2007 Base			4,245	636,442
Program Changes			52	57,650
2007 APPROPRIATION			4,297	694,092

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
Economic statistics programs:								
Economic censuses	488	\$68,019	476	\$70,983	578	\$82,438	102	\$11,455
Census of governments	40	4,594	40	5,082	69	7,755	29	2,673
Subtotal, Economic statistics	528	72,613	516	76,065	647	90,193	131	14,128
Demographic statistics programs:								
Intercensal demographics estimates	73	8,885	73	9,885	73	9,885	0	0
2010 Decennial census	3,311	453,978	3,311	468,245	3,232	511,767	(79)	43,522
Subtotal, Demographic statistics	3,384	462,863	3,384	478,130	3,305	521,652	(79)	43,522
Demographic surveys sample redesign	86	10,868	86	11,042	86	11,042	0	0
Geographic support	259	37,302	259	40,210	259	40,210	0	0
Data processing system	0	30,073	0	30,995	0	30,995	0	0
TOTAL DIRECT OBLIGATIONS	4,257	613,719	4,245	636,442	4,297	694,092	52	57,650
FINANCING								
Unobligated balance, start of year	0	(4,756)	0	0	0	0	0	0
Recovery of prior obligations	0	(2,600)	0	0	0	0	0	0
Subtotal, financing	0	(7,356)	0	0	0	0	0	0
TOTAL BUDGET AUTHORITY / APPROPRIATION	4,257	606,363	4,245	636,442	4,297	694,092	52	57,650

Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Economic Census	476	\$70,983	102	+\$11,455

The economic census provides data on manufacturing, mining, retail and wholesale trade, service, construction and transportation industries. The census is taken every fifth year, covering calendar years ending in two and seven. FY 2007 is the third year in the 2007 Economic Census cycle. The focus of activity for FY 2007 is the development of the collection instruments and processing systems to be used in the 2007 Economic Census. Specific activities include outreach with the top 500 companies about the census, development and creation of electronic tools and the Business Help Site to service respondent needs, conduct of a classification mailing in preparation of the census mail list, creation of the mail frame through the processing of 100+ million administrative records, printing of millions of report forms, and development of the processing systems to be used in the 2007 Economic Census. The FY 2007 budget proposes elimination of the Vehicle Inventory and Use Survey, a component of the Economic Census survey.

Census of Governments	40	\$5,082	+29	+\$2,673
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The census of governments is taken every fifth year for calendar years ending in two and seven. The 2007 Census of Governments consists of three phases: Government Organization, Public Employment, and Government Finances. FY 2007 is the third year in the five-year cycle of the 2007 Census of Governments. Efforts in FY 2007 will focus on: data collection and processing in the Organization Phase; data preparation and initiation of data collection and processing in the Employment Phase; and the preparation for and start of Finance Phase data collection and processing. Key objectives of the FY 2007 work are the identification of the universe, collection of data about the universe characteristics, and the start of employment and finance data collection.

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2010 Decennial Census Program	3,311	\$468,245	-79	+\$43,522

The Bureau of the Census is in the process of preparing for the next decennial census. The plan for the 2010 Decennial Census program features three key components which focus on reducing operational risk, improving accuracy, providing more timely data, and containing cost. The components are: (1) Establishment of a multi-year planning, development, and testing process that will allow the Census Bureau to fully develop all major elements of a reengineered census designed to collect the basic ("short form") data needed to fulfill constitutional and legal mandates; (2) Implementation of the American Community Survey (ACS) to collect and publish the more detailed ("long form") data on an annual basis, instead of only once a decade; and (3) Enhancing the Bureau of the Census's geographic database, referred to as MAF/TIGER (Master Address File/Topologically Integrated Geographic Encoding and Referencing), by updating and improving street location information and bringing it into alignment with Global Positioning System (GPS) coordinates. Activities in these three component areas are highly integrated, complement each other, and form the basis for re-engineering the 2010 Decennial Census program.

In 2007, the Bureau of the Census will be continuing extensive planning, testing and development activities, including the completion of all key mailout, field, and special purpose studies in preparation for the 2010 Census. Requirements definition and early operations will be well underway for the 2008 Dress Rehearsal. In 2007, the Bureau of the Census also will continue the fully implemented ACS. To enhance the MAF/TIGER system, the Bureau of the Census will continue a multi-year effort of aligning map feature locations with GPS coordinates, and will complete this for 690 of the nation's 3,232 counties.

Bureau of the Census Performance Measures

The Bureau of the Census strategic goal is to "meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy, and governments." There are six performance measures that support this strategic goal and the Bureau of the Census's mission. A more detailed description of these goals and measures can be found in the Census section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	FY 2005 Actual	FY 2006 Targets	FY 2007 Targets
Goal. Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy and governments.	\$1,012.7¹	\$1,074.3	\$1,144.6
Measure 1a. Achieve pre-determined collection rates for Bureau of the Census censuses and surveys in order to provide statistically reliable data to support effective decision-making of policymakers, businesses, and the public.	(1) 91.8% response rate for CPS. (2) 91.6% response rate for NCVS. (3) 89.2% response rate for AHS. (4) 85.2% response rate for SIPP. (5) 96.8% response rate for ACS. (6) 85.5% response rate for BAS.	At least 90% of key censuses and surveys meet or exceed pre-determined collection rates at planned levels of reliability.	At least 90% of key censuses and surveys meet or exceed pre-determined collection rates at planned levels of reliability.

<p>Measure 1b. Release data products for key Bureau of the Census programs on time to support effective decision-making of policymakers, businesses, and the public.</p>	<ul style="list-style-type: none"> (1) 116 economic indicators released as scheduled (100%) (2) 2 SIPP data products released as scheduled. (3) 12 CPS data products released as scheduled. (4) 6 CPS Supplement data products were released as scheduled. (5) 1 AHS data product released as scheduled. (6) Economic Census: Issued 883 (100%) of geographic series reports as scheduled; Issued 2 SBO reports as scheduled; Issued BES Report as scheduled. (7) ASM was released as scheduled. (8) ATS was released as scheduled. (9) ARTS was released as scheduled. (10) SAS was released as scheduled. 	<ul style="list-style-type: none"> (1) 100% of economic indicators released on schedule. (2) At least 90% of other data products from key censuses and surveys released on schedule. 	<ul style="list-style-type: none"> (1) 100% of economic indicators released on schedule. (2) At least 90% of other data products from key censuses and surveys released on schedule.
<p>Measure 1c. Introduce Census 2000-based samples as scheduled so that the household surveys can continue through the next decade, and so that policymakers, businesses, and the public can continue to be confident in the major federal socioeconomic indicators these surveys provide.</p>	<ul style="list-style-type: none"> (1) CE-Q samples introduced by 11/30/04. (2) CE-D samples introduced by 1/31/2005. (3) NCVS samples introduced by 1/31/2005. (4) American Housing Survey -National Sample (AHS-N) samples introduced by 5/31/2005. 	<p>Census 2000-based samples introduced on schedule.</p>	<p>N/A - no FY07 target. This measure will be discontinued because Census 2000-based samples will have been introduced for all surveys.</p>

Measure	FY 2005 Actual	FY 2006 Targets	FY 2007 Targets
<p>Measure 1d. Correct street features in TIGER (geographic) database to more effectively support: Bureau of the Census censuses and surveys, facilitate the geographic partnerships between federal, state, local and tribal governments, and support the E-Government initiative in the President's Management Agenda.</p>	<p>623 counties were completed in FY 2005.</p>	<p>700 counties to be completed in FY 2006.</p>	<p>690 counties to be completed in FY 2007.</p>
<p>Measure 1e. Complete key activities for cyclical census programs on time to support effective decision-making by policymakers, businesses, and the public and meet constitutional and legislative mandates.</p>	<p>(1) Completed detailed project plan for FY 2007 Economic Census by 9/30/05. (2) Completed detailed project plan for FY 2007 Census of Governments by 9/30/05. (3) Intercensal Demographic Estimates: Improved controls for the 2004 ACS released by 5/30/05. (4) Intercensal Demographic Estimates: CPS controls released each month in time for weighting monthly estimates. (5) Completed evaluations of the 2004 census test. (6) Determined design requirements and select sites for the 2006 census test. (7) Completed preparation for and began implementation of the 2005 National Census Test. (8) Used research, testing, and development efforts to date to update relevant 2010 Census action plans.</p>	<p>At least 90% of key preparatory activities completed on schedule.</p>	<p>At least 90% of key preparatory activities completed on schedule.</p>

Measure	FY 2005 Actual	FY 2006 Targets	FY 2007 Targets
Measure 1f. Meet or exceed overall Federal score of customer satisfaction on the American Customer Satisfaction Index.	73% score on ACSI.	Meet or exceed overall federal score.	Meet or exceed overall federal score.

1. This dollar amount has been updated as of December, 2005 (after the Performance and Accountability Report for FY 2005).

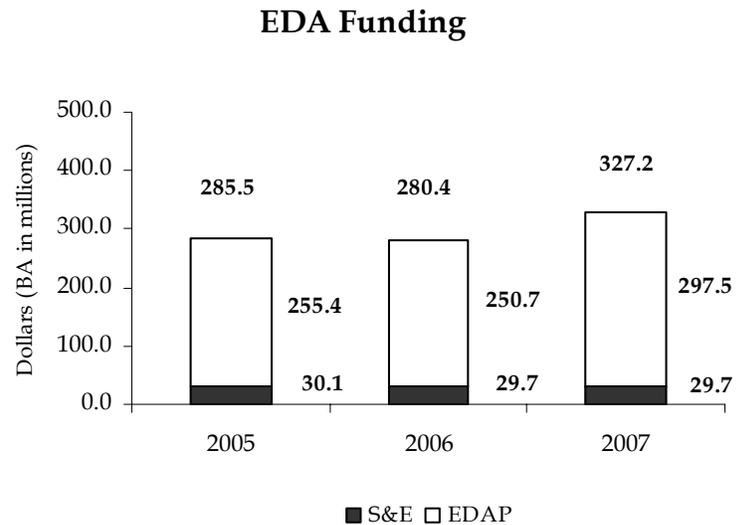
Economic Development Administration

To help distressed communities compete globally in the 21st century, the Economic Development Administration (EDA) will focus on promoting regional economic development strategies and demonstrating performance. To implement the goals and objectives of the Strengthening America's Communities Initiative (SACI), the Economic Development Administration will work in partnership with HUD to establish a results-based Federal economic development framework, thus empowering America's communities to achieve and maintain global competitiveness. To accomplish the competitive grant component of SACI, EDA will concentrate its resources in a new program activity, the Regional Development Account.

The goal of the Regional Development Account will be to assist distressed communities and regions in building regional capacity to adapt to and create new technologies and opportunities through innovation and entrepreneurship. Building upon its expertise in understanding regional economic dynamics, EDA is shifting its focus to help communities build a shared strategic development plan based on regional competitive advantages rather than upon political boundaries. Grants from this will encourage and support cross-jurisdictional planning and long-term strategy development, and promote public-private partnerships that include educational and research institutions, national laboratories, labor organizations, private businesses and governments.

The EDA Regional Development Account will include robust accountability standards to ensure that federal dollars are achieving results and that regions served achieve their goal of global competitiveness. EDA will also work with other Federal economic and community development programs to develop and implement a common performance framework, which will consist of a shared set of goals, standards, and indicators. An interagency council will also be created to assess, strengthen and coordinate their efforts.

In addition to the Regional Development Account, EDA will continue to fund the network of Economic Development Districts and Tribal organizations in order to support and implement effective economic development policies and strategies.



Summary of Appropriations

Funding Levels

	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Appropriation				
Salaries and Expenses	\$30,075	\$29,691	\$29,700	\$9
EDAP	253,985	250,741	297,467	46,726
TOTAL APPROPRIATION	284,060	280,432	327,167	46,735
Transfer to EDAP from Dept of Agriculture	1,436	0	0	0

Budget Authority

Salaries and Expenses	30,075	29,691	29,700	9
EDAP	255,421	250,741	297,467	46,726
EDA Revolving Fund	0	0	0	0
TOTAL BUDGET AUTHORITY	285,496	280,432	327,167	46,735

FTE

Salaries and Expenses	199	200	200	0
Reimbursable	8	7	7	0
Total	207	207	207	0

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>
2006 Appropriation			200	\$29,691
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$426		
2007 Pay raise		337		
Payment to Working Capital Fund		22		
Civil Service Retirement System (CSRS)		(32)		
Federal Employees' Retirement System (FERS)		101		
Thrift Savings Plan		9		
Federal Insurance Contributions Act (FICA) - OASDI		23		
Health insurance		59		
Employees' Compensation Fund		(49)		
NARA		1		
Travel				
Mileage		19		
Per Diem		6		
Rent payments to GSA		29		
Printing & Reproduction		3		
Other services/Working Capital Fund		150		
General Level Pricing Adjustment:		71		
Subtotal, other cost changes			0	1,175
TOTAL, ADJUSTMENTS TO BASE (Absorption) *			0	(1,175)
2007 Base			200	29,691
Program Changes			0	9
2007 APPROPRIATION			200	29,700

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Salaries & Expenses	200	\$31,393	200	\$29,691	200	\$29,700	0	\$9
TOTAL DIRECT OBLIGATIONS	200	31,393	200	29,691	200	29,700	0	9
REIMBURSABLE OBLIGATIONS	7	2,728	7	2,000	7	2,000	0	0
TOTAL OBLIGATIONS	207	34,121	207	31,691	207	31,700	0	9
FINANCING								
Unobligated balance, start of year (Direct)	0	(1,702)			0	0		
Unobligated balance, start of year (Reimb.)	0	(728)			0	0		
Offsetting coll. from Federal funds	(7)	(2,000)			(7)	(2,000)		
Subtotal, financing	(7)	(4,430)			(7)	(2,000)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	200	29,691			200	29,700		

* Economic Development Administration will absorb ATBs through staffing adjustments.

Appropriation: Economic Development Assistance Programs

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$250,741
Adjustments to Base	0	0
2007 Base	0	250,741
Program Changes	0	46,726
2007 APPROPRIATION	0	297,467

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Regional Development Account	0	\$0	0	\$0	0	\$257,597	0	\$257,597
Public Works	0	182,630	0	158,332	0	0	0	(158,332)
Planning	0	29,402	0	26,655	0	27,000	0	345
Technical Assistance	0	10,700	0	8,216	0	0	0	(8,216)
Research and Evaluation	0	927	0	482	0	0	0	(482)
Trade Adjustment Assistance	0	14,265	0	12,834	0	12,870	0	36
Economic Adjustment	0	51,526	0	44,222	0	0	0	(44,222)
SUB-TOTAL	0	289,450	0	250,741	0	297,467	0	46,726
Floods and Southern California Earthquake	0	1,961			0	0		
TOTAL DIRECT OBLIGATIONS	0	291,411			0	297,467		
REIMBURSABLE OBLIGATIONS		24,087			0	24,000		
TOTAL OBLIGATIONS	0	315,498			0	321,467		
FINANCING								
Unobligated balance, start of year	0	(10,757)			0	0		
Transfer to Treasury	0	0			0	0		
Anticipated Prior Year Recoveries	0	(30,000)			0	0		
Offsetting collections from:								
Federal funds	0	(24,000)			0	(24,000)		
Subtotal, financing	0	(64,757)			0	(24,000)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	0	250,741			0	297,467		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Economic Development Assistance Programs	0	\$250,741	0	\$46,726

To implement the goals and objectives of the Strengthening America's Communities Initiative (SACI), the Economic Development Administration will work in partnership with HUD to establish a proactive Federal economic development framework, thus empowering America's communities to achieve and maintain global competitiveness. To accomplish the competitive grant component of SACI, EDA will concentrate its resources in a program activity, the Regional Development Account. EDA's updated program will build on existing authorities and expertise and focus strongly on the need for economic regions in America to collaborate on economic development strategies and implementation as outlined in the Strengthening America's Communities Advisory Committee report, issued in July 2005.

With the exception of the Planning program, the Regional Development Account will provide funding for all of EDA's programs under the Public Works and Economic Development Act of 1965 as amended (42 U.S.C. 3121 *et seq*) (PWEDA).

EDA Performance Measures

All EDA program activities under this account support the Department of Commerce strategic goal to provide the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers. In 2007, EDA will track private investment and jobs generated by its investments, and will develop a new goal and associated measures to track the results of its assistance in supporting innovation-led regional development in support of global competitiveness. For investments made in 2005, 2006, and 2007, long-term outcome results will be reported by investment recipients over a period of nine years at three year intervals. EDA nine-year targets are derived from a mid-1990s Rutgers University research project that identified and analyzed the actual jobs and private investment generated by EDA investments. EDA three and six year targets are estimates of the percentage of the nine-year projection that will be achieved in those respective time periods. These estimates have been found to underestimate actual results. Therefore, EDA will be evaluating the formula-based projections and the underlying study when final nine-year results are received. EDA will track that its trade adjustment assistance programs are providing market-based and value-added services.

Below are EDA's current performance goals and selected measures that demonstrate EDA's support of Commerce's strategic goals. A more detailed description of these goals and measures is in the EDA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Obligations in millions)

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Goal 1: Promote private enterprise and job creation in economically distressed communities	\$212.5¹	\$208.7	\$277.2
Private sector dollars invested in distressed communities as a result of EDA investments	\$1,791M from 2002 investments \$1,787M from 1999 investments	\$265 by 2009 (1.4 to 1) \$662 by 2012 (3.5 to 1) \$1,323 M by 2015 (7.0 to 1)	TBD
Jobs created or retained in distressed communities as a result of EDA investments	19,672 from 2002 investments 47,374 from 1999 investments	7,019 by 2009 (37 to \$1M) 17,548 by 2012 (93 to \$1M) 35,097 by 2015 (185 to \$1M)	TBD
Goal 2: Improve community capacity to achieve and sustain growth	\$71.5	\$71.7	\$50.0
% of economic development districts and Indian tribes implementing projects from the CEDS process that lead to private investment and jobs	97.0%	95%	TBD
% of substate jurisdiction members actively participating in the economic development district program	91.0%	89-93%	TBD
% of University Center (UC) clients taking action as a result of University Center assistance	78.8%	75%	TBD
% of those actions taken by UC clients that achieve the expected results	87.5%	80%	TBD
% of Trade Adjustment Assistance Centers (TAACs) clients taking action as a result of TAAC assistance	95.0%	90%	TBD
% of those actions taken by TAAC clients that achieved the expected results	97.0%	95%	TBD
Total²	\$284.1	\$280.4	\$327.2

1. This dollar amount has been updated as of December, 2005 (after the Performance and Accountability Report for FY 2005).

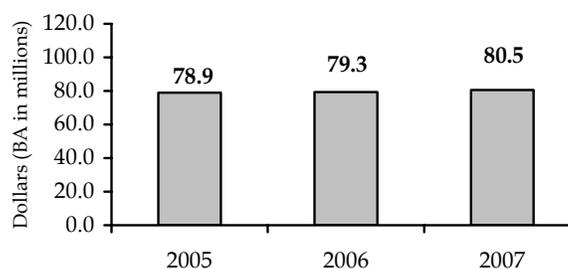
2. All funding amounts do not include reimbursable and one time costs since these vary widely from year to year. FY targets are directly dependent on funding amounts, so the funding amount reflects the S&E and EDAP appropriated levels since those are the only certain funding amounts.

Economic and Statistical Analysis

Includes the Bureau of Economic Analysis and the Economics and Statistics Administration Headquarters

The United States is widely recognized as the world's economic information leader, due in large part to the timely and accurate data and analyses produced by the Economics and Statistics Administration's (ESA) Bureau of Economic Analysis (BEA) and the Bureau of the Census. BEA produces such key economic measures as the gross domestic product (GDP) and the balance of payments; the Bureau of the Census conducts the quinquennial Economic Census and produces important economic measures including durable goods, wholesale and retail trade, and new construction. ESA provides economic policy analysis that is used in the decision making of the President and Congress, as well as business leaders, and ultimately affects the lives of all Americans.

ESA/BEA Funding



ESA includes: **ESA Headquarters, the Bureau of Economic Analysis, and the Bureau of the Census.**

ESA Headquarters staff consists of the Office of the Under Secretary for Economic Affairs, the Policy Support Staff, STAT-USA and support personnel. The Under Secretary for Economic Affairs provides leadership and executive oversight of all ESA activities. The Policy Support staff provides real time, highly sophisticated economic research and policy analysis directly in support of the Secretary of Commerce and the Administration. ESA monitors and interprets economic developments and domestic fiscal and monetary policies, and analyzes economic conditions and policy initiatives of major trading partners. STAT-USA provides fee-based data dissemination services that provide a focal point for business, economic and trade statistics. STAT-USA operates under a revolving fund account.

Funding requested in FY 2007 will help the **Bureau of Economic Analysis (BEA)** achieve its mission to promote the understanding of the U.S. economy by providing the timely, relevant and accurate economic accounts data in an objective and cost-effective manner. Although a relatively small agency, BEA's economic statistics are among the Nation's most closely watched. BEA's statistics influence the decisions made by policy makers, business leaders, households and individuals. Providing a comprehensive and up-to-date picture of the U.S. economy, these statistics are key ingredients in critical decisions affecting interest and exchange rates, tax and budget projections, business investment plans, and the allocation of over \$200 billion in Federal funds. The cornerstone of BEA's statistics are the National Income and Product Accounts (NIPAs), which feature the estimates of the GDP and related measures. Since the NIPAs were first published, BEA has developed and extended these estimates to keep pace with the constantly changing nature of U.S. economic activity. Today, BEA prepares national, regional, industry and international accounts that present essential information on such issues as economic growth, regional economic development, inter-industry relationships and the Nation's position in the world economy.

The BEA Strategic Plan provides a detailed outline for improving the quality and accuracy of BEA economic statistics. Annually reviewed by BEA and provided to stakeholders, users and the public for comment, the BEA Strategic Plan calls for specific, continuous improvements supporting each of its measures to better meet its mission in FY 2007.

The **Bureau of the Census** budget is discussed in its own section of the Budget in Brief as it receives its funding from a separate congressional appropriation.

Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$78,931	\$79,278	\$80,482	\$1,204
FTE				
Salaries and Expenses	516	526	526	0
Reimbursable	15	29	26	(3)
Revolving Fund	12	12	12	0
Total	543	567	564	(3)

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>
2006 Appropriation			526	\$79,278
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$862		
2007 Pay raise		857		
Payment to Working Capital Fund		22		
Full-year cost in FY 2007 of positions financed in part in FY 2006	3	396		
Civil Service Retirement System (CSRS)		(134)		
Federal Employees' Retirement System (FERS)		366		
Thrift Savings Plan		88		
Federal Insurance Contributions Act (FICA) -OASDI		102		
Health insurance		210		
Employee Compensation Fund		(30)		
Travel: Per diem		1		
Rent payments to GSA		58		
Printing and reproduction		4		
NARA		1		
Other services: Working Capital Fund		106		
General Pricing Level Adjustments				
Communications, Utilities, & misc.		5		
Other services		305		
Supplies		22		
Equipment		23		
Subtotal, other cost changes			3	3,264
Less Amount Absorbed *			(3)	(2,060)
Total, Adjustments to Base			0	1,204
2007 Base			526	80,482
Program Changes			0	0
2007 APPROPRIATION			526	80,482

* This budget requests \$1.2 million for adjustments to base, a portion of the total \$3.2 million calculated ATBs. The remaining absorption will affect most areas of the Bureau and will result in adjustments to all object classes.

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Bureau of Economic Analysis	507	\$75,721	507	\$76,507	507	\$76,507	0	\$0
Policy Support	19	4,203	19	3,975	19	3,975	0	0
TOTAL DIRECT OBLIGATIONS	526	79,924	526	80,482	526	80,482	0	0
REIMBURSABLE OBLIGATIONS	29	4,902	26	4,237	26	4,237	0	0
TOTAL OBLIGATIONS	555	84,826	552	84,719	552	84,719	0	0
FINANCING								
Unobligated balance, start of year (Direct)		(646)						
Offsetting collections from:								
Federal funds	(27)	(4,746)			(24)	(4,077)		
Non-Federal sources	(2)	(156)			(2)	(160)		
Subtotal, financing	(29)	(5,548)			(26)	(4,237)		
TOTAL BUDGET AUTHORITY /	526	79,278			526	80,482		
APPROPRIATION								

ESA / BEA Performance Measures

The BEA Mission, derived directly from the U.S. Department of Commerce Strategic Plan for FY 2004-FY 2009, is to “promote a better understanding of the U.S. economy by providing the most timely, relevant, and accurate economic data in an objective and cost-effective manner.” To monitor progress toward achieving this mission, BEA has developed six performance measures for FY 2006 that seek to measure long-term performance and track efforts to accomplish specific budget initiative requests. These performance measures include: (1) maintaining reliable delivery of economic data, (2) sustaining customer satisfaction, (3) ensuring greater than 85 percent of GDP estimates are correct, (4) improving GDP and the economic accounts, (5) accelerating economic estimates, and (6) meeting U.S. international obligations. The first three measures monitor BEA’s long-term success at improving timeliness, relevance and accuracy, while the last three measures track specific funding increases from previous years through FY 2007. The following table shows the measures that BEA uses to evaluate its performance. A more detailed description of these goals and measures is in the BEA section of the Department of Commerce budget.

Performance Goal (Obligations) and Measures (Targets)

(Dollars in millions)

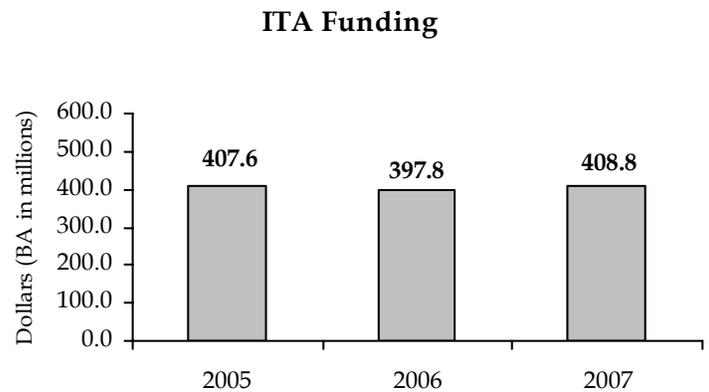
	<u>2005</u> <u>Actual</u>	<u>2006</u> <u>Estimate / Target</u>	<u>2007</u> <u>Estimate / Target</u>
Goal 1: Promote a better understanding of the U.S. economy by providing the most timely, relevant and accurate economic data in an objective and cost-effective manner	\$84.1	\$86.7	\$86.7
Number of scheduled releases issued on time	54 of 54	54 of 54	TBD
Customer satisfaction with quality of products and services (5 point scale)	4.4	Greater than 4.0	Greater than 4.0
Percent of GDP estimates correct	96%	Greater than 85%	Greater than 85%
Improving GDP and economic accounts	Completed all major Strategic Plan milestones related to improving the economic accounts	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones
Accelerating economic estimates	BEA completed all major Strategic Plan milestones related to accelerating economic estimates	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones
Meeting U.S. international obligations	BEA completed all major Strategic Plan milestones related to meeting U.S. international obligations	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones

Note: The total obligations may differ from those reported in the Congressional Justification exhibits due to the inclusion of the revolving fund in the amounts cited above.



International Trade Administration

The mission of the International Trade Administration (ITA) is to create prosperity by promoting trade and investment, ensuring fair trade and compliance with trade laws and agreements, and by strengthening the competitiveness of U.S. industry. Funding requested for ITA in 2007 will be used to implement the following priorities: ensuring that China and other important trading partners honor their WTO commitments and that market access for American trade and investment in China and other economies is expanded; ensuring compliance and enforcement of all trade agreements, with special emphasis on intellectual property rights protections; strengthening Federal trade promotion programs; implementing reforms recommended by the 2005 report "Manufacturing in America"; and supporting the economic component of the Security and Prosperity Partnership with Canada and Mexico. ITA's goals and objectives are accomplished through five program areas:



Manufacturing and Services (MAS) is ITA's industry-based program that focuses on both the domestic and international aspects of U.S. industrial competitiveness. MAS works with U.S. industry to evaluate the needs of the U.S. manufacturing and service sectors and obtain input from them to evaluate their interests for setting U.S. Government trade policy. MAS participates, as appropriate, with ITA trade policy and negotiation advancement initiatives.

Market Access and Compliance (MAC) concentrates on the development of strategies to overcome market access obstacles faced by U.S. businesses. MAC monitors foreign country compliance with numerous trade-related agreements, identifying compliance problems and other market access obstacles. MAC works with other Government agencies to address barriers rapidly and ensures that U.S. firms know how to use market opening agreements. It provides information on foreign trade and business practices to U.S. firms and works to find opportunities and to develop current and long-term market strategies in traditional and emerging markets, including information needed to conduct trade negotiations to open markets. MAC also continues to provide support for the operation of the established Free Trade Agreement Secretariats.

Import Administration (IA) defends American firms from injurious practices by administering the U.S. antidumping and countervailing duty laws in a manner consistent with U.S. international obligations. IA works extensively with U.S. businesses on a regular basis to help them understand U.S. trade laws related to dumping and foreign government subsidies and to act if they are injured by those practices. IA manages an Unfair Trade Practices Team that tracks, detects and confronts unfair competition by monitoring economic data from our global competitors and investigates evidence of unfair subsidization and production distortions. IA also conducts any textile-related cases brought by U.S. industry in the area of textiles imports.

The U.S and Foreign Commercial Service (US&FCS) program conducts trade promotion programs intended to broaden and deepen the base of U.S. exports, particularly of small and medium-sized firms; provides American companies with reliable advice on the range of public and private assistance available and knowledgeable support for all other Federal trade promotion services; offers export assistance through information, referral and follow-up services through its integrated global field network; and leads interagency advocacy efforts for major overseas projects, including early involvement in project development and assistance to resolve post-export transaction problems.

Executive Direction and Administration (ExAdmin) directs policy and planning functions to effectively plan and manage ITA. ExAdmin delivers administrative services to enable ITA's programs to advance their program goals. These administrative services include information technology support systems, strategic planning and performance

management services, human capital planning, human resources services, financial management, and general administrative assistance.

Congressional Earmarks The International Trade Administration’s budget does not continue \$19.7 million of funding for the Congressional earmarks included in the FY 2006 appropriations. The FY 2007 President’s Budget reallocates those funds for restoration of ITA’s base operations and Adjustments to Base.

Foreign Service Modernization (FSM) supports the first step of a transition to a performance-based pay system and global rate of pay for Foreign Commercial Service personnel grade FS-01 and below. The proposal would also establish a global rate of pay for the Foreign Commercial Service to attract and retain our most productive people and increase our presence in priority emerging markets, which offer tremendous growth opportunities but require greater efforts to help U.S. firms overcome challenging market access barriers and problems.

Summary of Appropriations

Funding Levels

	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Discretionary Appropriation				
Operations and Administration	\$388,257	\$393,830	\$408,782	\$14,952
U. S. Travel & Tourism Promotion				
Advisory Board	9,866	3,949	0	(3,949)
Total, Discretionary Appropriation	398,123	397,779	408,782	11,003
Transfer from USAID	4,106			
Mandatory Appropriation				
Grants to Manufacturers of worsted wool fabrics	5,332			
TOTAL BUDGET AUTHORITY	407,561	397,779	408,782	11,003

FTE

Operations and Administration	2,211	2,217	2,217	0
Reimbursable	26	25	25	0
Total	2,237	2,242	2,242	0

Highlights of Budget Changes

Appropriation: Operations and Administration

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			2,217	\$393,830
FY 2006 Fee Collections				8,000
FY 2006 Gross Appropriation			<u>2,217</u>	<u>401,830</u>
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		1,727		
2007 Pay raise		2,914		
Payment to Working Capital Fund		216		
Civil Service Retirement System(CSRS)		(428)		
Federal Employees' Retirement System(FERS)		1,227		
Thrift Savings Plan		122		
Federal Insurance Contributions Act (FICA) -OASDI		517		
Health insurance		793		
Employees' Compensation Fund		(108)		
Travel: Mileage		23		
Rent payments to GSA		221		
Printing and reproduction		12		
NARA		(4)		
Other services: Working Capital Fund		1,581		
Capital Security Cost Sharing Program (CSCSP)		10,952		
Overseas wage increases		670		
Overseas price increases		401		
General Pricing Level Adjustment:				
Transportation of things		32		
Rent payments to others		148		
Communications, Utilities & misc.		65		
Other services		492		
Supplies		59		
Equipment		74		
Non-ICASS Local Guard Service		52		
Military Pouch Service		13		
Foreign Service Modernization Transition		2,000		
Currency Loss		1,535		
Subtotal, other cost changes			<u>0</u>	<u>25,306</u>
Less Amount Absorbed *			0	(7,354)

* The FY 2007 Budget Request for Adjustments To Base (ATB) provides funding for ITA's share of the Capital Security Cost Sharing Program at the State Department and the Foreign Service Modernization Transition. Other ATBs will be funded by reallocating resources from lower priority programs and Congressional earmarks.

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
TOTAL, ADJUSTMENTS TO BASE			0	\$17,952
2007 Gross Base			2,217	419,782
Program Changes			0	2,000
2007 GROSS APPROPRIATION			2,217	421,782
FY 2007 Fee Collections			0	(13,000)
2007 NET APPROPRIATION			2,217	408,782

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Manufacturing and Services	237	\$47,072	237	\$46,828	237	\$47,328	0	\$500
Market Access and Compliance	209	43,192	209	39,306	209	39,306	0	0
Import Administration	382	59,367	382	59,367	382	59,367	0	0
Trade Promotion and U.S. Foreign Commercial Service	1,254	226,595	1,254	235,791	1,254	237,291	0	1,500
Executive Direction / Administration	135	25,490	135	25,490	135	25,490	0	0
TOTAL DIRECT OBLIGATIONS	2,217	401,716	2,217	406,782	2,217	408,782	0	2,000
REIMBURSABLE OBLIGATIONS	25	31,000	25	33,000	25	33,000	0	0
TOTAL OBLIGATIONS	2,242	432,716	2,242	439,782	2,242	441,782	0	2,000
FINANCING								
Unobligated balance, start of year		(7,886)						
Offsetting collections from:								
Federal funds	(25)	(18,000)				(20,000)		
Non-Federal sources		(13,000)				(13,000)		
Subtotal, financing	(25)	(31,000)				0	(33,000)	
TOTAL BUDGET AUTHORITY / APPROPRIATION	2,217	393,830			2,242	408,782		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Manufacturing and Services</u>	237	\$46,828	0	\$500
<u>Trade Promotion and U.S. Foreign Commercial Service</u>	1,254	235,791	0	1,500

To support the President's Asia-Pacific Partnership on Clean Development and Climate (APP) with Australia, China, India, Japan, and South Korea, the International Trade Administration will focus on reducing the barriers in these countries to energy efficient products and technologies from U.S. companies. ITA will produce market research on each of these countries to help U.S. companies better understand the conditions in these countries, support the APP industry task forces and ensure U.S. private sector participation, match buyers and U.S. equipment providers through trade missions to the partner countries, and bring buyers to the U.S. for company and site visits. No additional FTE are required.

Appropriation: U.S. Travel and Tourism Promotion Advisory Board

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			0	\$3,949
Adjustments to Base				
TOTAL, ADJUSTMENTS TO BASE			<u>0</u>	<u>0</u>
2007 Base			0	3,949
Program Changes			0	(3,949)
2007 APPROPRIATION			<u>0</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
U.S. Travel & Tourism Promotion	0	\$4,068	0	\$0	0	\$0	0	\$0
TOTAL DIRECT OBLIGATIONS	<u>0</u>	<u>4,068</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year		(119)						
TOTAL BUDGET AUTHORITY	<u>0</u>	<u>3,949</u>			<u>0</u>	<u>0</u>		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
U.S. Travel and Tourism Promotion Advisory Board	0	0	0	0

No funding is requested for this program in 2007, as travel promotion activities can be funded through a variety of non-Federal sources.

ITA Performance Measures

For FY 2007, ITA is using new goals, objectives and metrics developed for its FY 2006-2011 strategic plan. ITA will continue to refine its performance measures to demonstrate outcomes and results. ITA developed several new measures to reflect its FY 2004 reorganization and the new Manufacturing and Service (MAS) program. All new ITA performance measures, where historical or baseline data is not available, will appear in this document and in ITA's Annual Performance Plan (Exhibit 3a) as "new". ITA developed these measures to cut across ITA program lines and to indicate results and performance that are ITA-wide in scope. The following table shows the measures that ITA uses to measure its performance. A more detailed description of these goals and measures can be found in the ITA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 Estimate / <u>Target</u>	2007 Estimate / <u>Target</u>
Goal 1: Enhance U.S. Competitiveness in Global Marketplace	\$56.1	\$56.1	\$52.1
Number of in-depth U.S. industry analyses completed to quantify the effects of policy proposals against structural cost benchmarks.	New	New	New
Percent of total competitiveness impediments identified by industry and other stakeholders where ITA takes appropriate action	N/A	New	New
Number of analyses and reports developed to improve U.S. trade compliance and market access activities/developments, for example; Miscellaneous Tariff Bill, retaliations, and GSP assessments.	New	New	New
Percent of milestones completed in sector specific bilateral and multilateral dialogues and negotiations for trade agreements.	New	New	New
Customer perception of ease of access to export and trade information and data	74	74 to 76	74 to 76
Goal 2: Broaden and Deepen the U.S. Exporter Base	\$252.7	\$266.7	\$280.8
% of undertaken advocacy actions completed successfully	12%	12% to 15%	12% to 15%
Dollar value of advocacy cases completed successfully	N/A	Subject to FY 06 Baseline	Subject to FY 06 Baseline
Number of New to Export Export Successes	620	700 to 850	700 to 850
Number of New to Market Export Successes	4,888	4,760 to 5,500	4,760 to 5,500
Number of increase to Market Export Successes	N/A	N/A	Subject to FY 06 Baseline
Number of export transactions made as a result of ITA involvement	12,518	11,385 to 13,500	11,385 to 13,500
% of CS fee funded programs	2%	3%	(Discontinued)
Goal 3: Identify and Resolve Unfair Trade Practices	\$115.8	\$113.9	\$108.9
% of antidumping or countervailing duty cases completed within statutory deadlines	100%	100%	100%
Number of market access and compliance cases initiated	160	150 to 160	150 to 160
Number of market access and compliance cases concluded	85	80 to 90	80 to 90
% of market access and compliance cases initiated on behalf of small and medium-sized businesses	N/A	Subject to FY 06 Baseline	Subject to FY 06 Baseline
% of market access and compliance cases resolved successfully* (reduction or elimination of the market barrier)	N/A	Subject to FY 06 Baseline	Subject to FY 06 Baseline
Total:	\$431.2	\$436.7	\$441.8

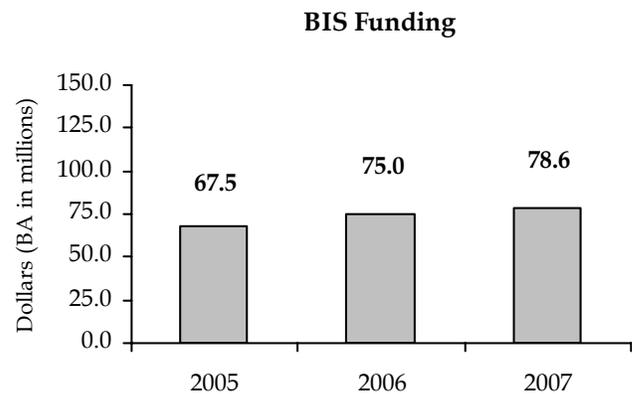
* Amount for FY 05 and FY 06 includes funding for Travel and Tourism Advisory Board.

Bureau of Industry and Security

The mission of the Bureau of Industry and Security (BIS) is to advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and by promoting continued U.S. strategic technology leadership. BIS regulates the export of sensitive goods and technologies in an effective and efficient manner; enforces export control, antiboycott, and public safety laws; cooperates with and assists other countries on export control and strategic trade issues; assists U.S. industry in complying with international arms agreements; monitors the viability of the U.S. defense industrial base; and supports continued U.S. technology leadership in industries that are essential to national security.

BIS's mission priorities are:

- Maintain and strengthen an adaptable and effective U.S. export control and treaty compliance system: BIS administers and enforces controls on exports of dual-use goods and technologies to counter proliferation of weapons of mass destruction, combat terrorism, and pursue other national security policy goals. BIS also serves as the lead agency for ensuring U.S. industry compliance with the Chemical Weapons Convention (CWC). Funding requested in FY 2007 will fully support these responsibilities.
- Integrate non-U.S. actors to create a more effective global export control and treaty compliance system: The effectiveness of U.S. export controls is enhanced by strong controls in other nations that export or transship sensitive goods and technologies. In FY 2007, BIS will continue its work to improve the participation and compliance of existing members of the multilateral export control regimes and cooperate with other countries to help them establish effective export control programs.
- Eliminate illicit export activity outside the global export control and treaty compliance system: BIS will maintain its enforcement efforts to detect, prevent, and prosecute illicit export activity occurring outside of the global export control system, with a primary focus on weapons of mass destruction and terrorism.
- Ensure continued U.S. technology leadership in industries that are essential to national security: BIS works to ensure that the United States remains competitive in industry sectors and sub-sectors critical to national security; this commitment continues in FY 2007. To this end, BIS discharges responsibilities under the Defense Production Act and other laws, including administering the Federal government's Defense Priorities and Allocations System, preparing reports on selected U.S. industries and the impact of defense trade offsets, and advocating for U.S. defense companies competing for international sales opportunities.



Summary of Appropriations

<u>Funding Levels</u>	2005	2006	2007	Increase
<u>Appropriation</u>	<u>Actual</u>	<u>Enacted</u>	<u>Estimate</u>	<u>(Decrease)</u>
Operations and Administration	\$67,480	\$75,029	\$78,582	\$3,553
TOTAL APPROPRIATIONS	67,480	75,029	78,582	3,553
FTE				
Operations and Administration	361	415	418	3
Reimbursable	1	1	1	0
Total	362	416	419	3

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>
2006 Appropriation			415	\$75,029

Adjustments to Base

Adjustments

Partial Restoration of FY 2006 rescission

251

Other Changes

2006 Pay raise		\$505		
2007 Pay raise		615		
Payment to Working Capital Fund		62		
Full-cost in 2007 of Positions Financed Part Year in 2006	3	383		
Within-Grade Step Increases		429		
Civil Service Retirement System (CSRS)		(25)		
Federal Employees' Retirement System (FERS)		206		
Thrift Savings Plan		7		
Federal Insurance Contributions Act (FICA) -OASDI		13		
Health insurance		173		
Employees' Compensation Fund		(23)		
Travel - Mileage		4		
Rent payments to GSA		72		
Printing and reproduction		4		
Other services:				
Working Capital Fund		312		
NARA		3		
General Pricing Level Adjustment				
Transportation of things		3		
Communications, Utilities & misc.		16		
Other services		204		
Supplies		23		
Equipment		44		
Subtotal, other cost changes			3	3,030
TOTAL, ADJUSTMENTS TO BASE			3	3,281
2007 Base			418	78,310
Program Changes			0	272
2007 APPROPRIATION			418	78,582

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Management & Policy Coordination	25	\$7,103	25	\$6,489	25	\$6,489	0	\$0
Export Administration	207	37,703	209	38,597	209	38,869	0	272
Export Enforcement	183	32,006	184	33,224	184	33,224	0	0
TOTAL DIRECT OBLIGATIONS	415	76,812	418	78,310	418	78,582	0	272
REIMBURSABLE OBLIGATIONS	1	16,134	1	7,692	1	7,692	0	0
TOTAL OBLIGATIONS	416	92,946	419	86,002	419	86,274	0	272
FINANCING								
Unobligated balance, start of year (Direct)		(1,783)						
Unobligated balance, start of year (Reimbursable)		(8,442)						
Offsetting collections from:								
Federal funds	(1)	(6,942)			(1)	(6,942)		
Non-Federal sources		(750)				(750)		
Subtotal, financing	(1)	(17,917)			(1)	(7,692)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	415	75,029			418	78,582		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
ECASS Modernization Initiative	209	\$38,597	+0	+\$272

The Export Control Automated Support System (ECASS) for electronic processing of export license applications is essential to BIS's ability to advance the national security, foreign policy, and economic objectives of the United States by effectively administering a U.S. dual-use export control and treaty compliance system. ECASS provides licensing officers with the information and functionality they need to process the large number of license applications they receive -- currently 15,000 per year and growing.

The current ECASS is two decades old and lacks the technology needed to keep up with the increasing complexity of license applications. It also lacks the interagency interfaces and data-mining tools necessary to combat terrorists and Weapons of Mass Destruction (WMD) proliferators most effectively. BIS is currently in the process of redesigning the legacy ECASS system. The ECASS Modernization Initiative will fill existing gaps in the system by applying technologies that have emerged over the past decade to revitalize the core BIS mission-critical licensing processes and improve productivity, quality, and data-mining capabilities.

In FY 2007, BIS will reengineer 10 percent of its licensing application processes and define a high-level set of requirements for the computer system changes required to support the reengineered processes. It will also initiate work on defining new interagency interfaces and advanced data-mining tools that will increase BIS's analytical capabilities.

BIS Performance Measures

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

BIS is currently in the process of reviewing its mission statement, performance goals, measures and targets to better reflect the strategic aims of the Department of Commerce, Bureau of Industry and Security, and the Administration.

	<u>2005</u> <u>Actual</u>	<u>2006</u> <u>Estimate /</u> <u>Target</u>	<u>2007</u> <u>Estimate /</u> <u>Target</u>
Goal 1: Advance U.S. National Security, Foreign Policy, and Economic Interests by Enhancing the Effectiveness and Efficiency of the Export Control System	\$29.5 ¹	\$33.9	\$38.3
Median Processing Time for Referrals of Export Licenses to Other Agencies (Days)	3	9	9
Median Processing Time for Export Licenses Not Referred to Other Agencies (Days)	7	15	15
Median Processing Time for Issuing Draft Regulations (Months)	1	3	3
Level of Exporter Understanding of BIS Export Control Requirements - Value of Information (average score on scale of 1-5)	4.2	4.2	4.2
Level of Exporter Understanding of BIS Export Control Requirements - Percent Knowledge Gained (Index)	46%	45%	45%
Percent of Industry Assessments Resulting in BIS Determination on Export Controls	New	100%	100%
Goal 2: Ensure U.S. Industry Compliance with the Chemical Weapons Convention (CWC) Agreement	\$7.2 ¹	\$7.2	\$7.2
Number of Site Assistance Visits Conducted to Assist Companies Prepare for International Inspections	12	2	2
Goal 3: Prevent Illegal Exports and Identify Violators of Export Prohibitions and Restrictions for Prosecution	\$31.7 ¹	\$35.3	\$32.5
Number of Investigative Actions That Result in the Prevention of a Violation and Cases Which Result in a Criminal and/or Administrative Prosecution	583	315	315
Number of Post-Shipment Verifications Completed	512	500	500
Goal 4: Enhance the Export and Transit Control Systems of Nations Seeking to Improve Their Export Control System	\$8.6 ¹	\$16.5	\$8.3
Number of Targeted Deficiencies Remedied in the Export Control Systems of Program Nations	40	40	40
Total ²	\$77.0 ¹	\$92.9	\$86.3

1. This dollar amount has been updated as of December, 2005 (after the Performance and Accountability Report for FY 2005).

2. Total obligations may differ from the reports in the other tables in this section and Congressional Justification exhibits due to the inclusion of prior year funds in the amounts cited above.

Minority Business Development Agency

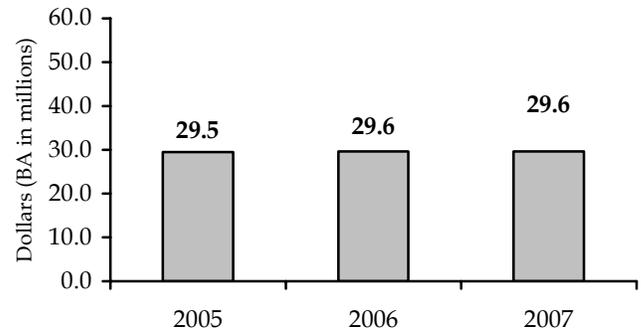
The Minority Business Development Agency (MBDA) promotes minority business development through a range of assistance. MBDA's vision is to achieve entrepreneurial parity for Minority Businesses Enterprises (MBEs) by actively promoting their ability to grow and to participate in the global economy. MBDA has successfully reengineered its organizational structure to expand its frontline support for minority business assistance, information and customer service. MBDA funds a network of centers that provide a variety of direct and indirect business assistance services intended to promote and advance the achievement of economic parity for minority businesses.

For FY 2007, MBDA will continue to focus on increasing opportunities for wealth creation within the minority business community. The Agency's goal is to increase opportunities and access of minority-owned businesses to the marketplace and financing. To accomplish this goal, MBDA will:

- Foster the expansion of opportunities for minority-owned business in the global marketplace;
- Identify sources of financial capital for minority owned firms;
- Develop and enhance electronic tools to provide access to growth markets through automated matching of MBEs to public and private sector opportunities;
- Provide management and technical assistance to minority owned businesses; and,
- Advocate for the increased use of electronic commerce and new technologies by MBEs.

MBDA plans to develop additional avenues by which it can leverage its resources while expanding the availability of services to MBEs. MBDA will continue to use the Internet to establish information clearinghouses and National referral centers for minority-owned businesses of any size, which will provide a wider access to public and private business development resources. MBDA will also expand its automated matching capabilities related to contracting opportunities. MBDA will continue to use the Minority Business Enterprise Centers (MBECs) and Native American Business Enterprise Centers (NABECs) to provide management and technical assistance and Minority Business Opportunity Committees (MBOCs) to provide contract opportunities and financial transactions for minority-owned businesses.

MBDA Funding



Summary of Appropriations

<u>Funding Levels</u>	2005	2006	2007	Increase
<u>Appropriation</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Minority Business Development	\$29,500	\$29,641	\$29,641	\$0
FTE				
Minority Business Development	96	115	115	0

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>
2006 Appropriation			115	\$29,641
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$131		
2007 Pay raise		154		
Working Capital Fund Pay Raise		17		
Civil Service Retirement System(CSRs)		(55)		
Federal Employees' Retirement System(FERS)		108		
Thrift Savings Plan		16		
Federal Insurance Contributions Act (FICA) -OASDI		47		
Health insurance		48		
Employees' Compensation Fund		57		
Travel				
Per Diem		(1)		
Mileage		4		
Rent payments to GSA		25		
Printing and reproduction		2		
Working Capital Fund		107		
General Pricing Level Adjustments				
Communications, Utilities, & misc.		1		
Other services		58		
Supplies		2		
Equipment		5		
Subtotal, other cost changes			0	726
Less amount absorbed *			0	(726)
TOTAL, ADJUSTMENTS TO BASE			0	0
2007 Base			115	29,641
Program Changes			0	0
2007 APPROPRIATION			115	29,641

* Minority Business Development Agency (MBDA) will absorb ATBs through reductions in travel and other scalable expenses.

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Minority Business Development	70	\$18,071	70	\$29,641	70	\$29,641	0	\$0
Advocacy, Research & Information	45	11,570	45	0	45	0	0	0
TOTAL DIRECT OBLIGATIONS	115	29,641	115	29,641	115	29,641	0	0
REIMBURSABLE OBLIGATIONS	0	300	0	300	0	300	0	0
TOTAL OBLIGATIONS	115	29,941	115	29,941	115	29,941	0	0
FINANCING								
Unobligated balance, start of year (Direct)		0						
Offsetting collections from:								
Federal funds		(300)				(300)		
Subtotal, financing	0	(300)			0	(300)		
TOTAL BUDGET AUTHORITY/ APPROPRIATION	115	29,641			115	29,641		

MBDA Performance Measures

MBDA's ability to develop an entrepreneurial innovative market-focused economy and improve minority owned business access to financing is demonstrated through the following key performance measures:

- The dollar value of contract awards obtained.
- The dollar value of financing awards obtained.

MBDA will continue to develop and refine its performance measures as a key management tool for benchmarking program impact. The following table shows the measures that MBDA uses to gauge its performance. A more detailed description of these goals and measures may be found in the MBDA section of the Department of Commerce budget.

Performance Goal (Obligations) and Measures (Targets)

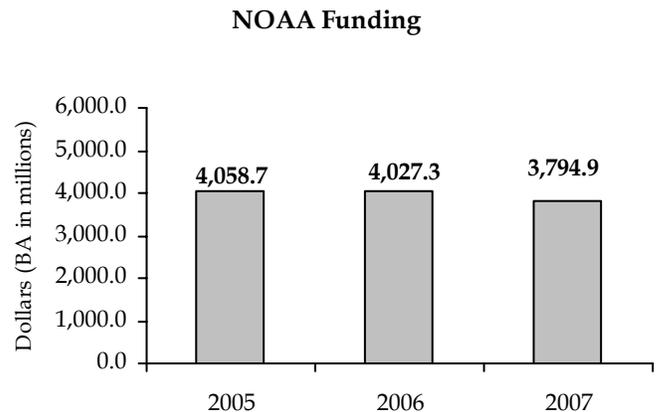
(Dollars in millions)

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Goal: To increase access to the marketplace and financing for minority-owned businesses *	\$29.7	\$29.9	\$29.9
Dollar value of contract awards obtained	\$1.07B	\$850M	\$850M
Dollar value of financial awards obtained	\$566.7M	\$450M	\$450M
Number of new job opportunities created	2,270	1,800	1,800
Percent increase in client gross receipts	30%	5%	5%
Percent increase in American Customer Satisfaction Index (ACSI)	13%	NA	5%
Number of National and Regional Strategic Partnerships	231	200	200

*Total obligations may differ from those reported in other tables in this section and in Congressional Justification exhibits due to the inclusion of prior year funds in the amounts cited above.

National Oceanic and Atmospheric Administration

The budget for the National Oceanic and Atmospheric Administration (NOAA) is divided into two primary accounts, Operations, Research and Facilities (ORF) and Procurement, Acquisition and Construction (PAC). Other accounts include Pacific Coastal Salmon Recovery, Coastal Impact Assistance Fund, Fishermen's Contingency Fund, Foreign Fishing Observer Fund, Fisheries Finance Program Account, Promote and Develop American Fishery Products and Research Pertaining to American Fisheries Fund, Damage Assessment and Restoration Revolving Fund, Coastal Zone Management Fund, Federal Ship Financing Fund, the Limited Access System Administration Fund, the Environmental Improvement and Restoration Fund, the Marine Mammal Unusual Mortality Event Fund, and Medicare-Eligible Retiree Healthcare Fund.



Operations, Research and Facilities (ORF) and Procurement, Acquisition and Construction (PAC)

These two accounts fund the following NOAA programs, providing nearly all of NOAA's services:

National Ocean Service (NOS):

NOS programs provide scientific, technical, and management expertise to promote safe navigation; assess the health of coastal and marine resources and respond to natural and human induced threats; and preserve the coastal ocean and global environments. Mapping and charting activities produce nautical charts and supporting documents that are compiled and sold to the public and other Federal agencies. Understanding and management of the coastal environment is enhanced through the coastal science and the coastal zone management programs. NOS also establishes and manages marine sanctuaries and estuarine research reserves of national significance.

National Marine Fisheries Service (NMFS):

NMFS is responsible for the management and conservation of living marine resources within the U. S. Exclusive Economic Zone (EEZ). NMFS also provides critical support and scientific and policy leadership in the international arena and plays a key role in the management of living marine resources in coastal areas under State jurisdiction. NMFS implements international agreements on conservation and management measures through science-based actions aimed at sustaining long-term use and promoting the health of coastal and marine ecosystems. The result is maximized benefits to the Nation from the use of living marine resources. Programmatic authority for fisheries management, species protection, and habitat conservation activities are derived primarily from the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), Sustainable Fisheries Act (SFA), Marine Mammal Protection Act (MMPA), and Endangered Species Act (ESA). Other acts provide additional authority for enforcement, seafood safety, habitat restoration, and cooperative efforts with States, interstate fish commissions, and other countries. All of these activities rely on a strong scientific and research competency to support the challenging public policy decision process associated with NMFS' stewardship responsibility.

Oceanic and Atmospheric Research (OAR):

OAR provides the research and technology development necessary to improve NOAA weather services, seasonal climate outlooks and marine services. OAR contributes scientific information to advise national policy decisions in areas such as climate change, air quality and stratospheric ozone depletion. OAR seeks to promote economic growth through efforts in

marine biotechnology; sustainable usage of coastal, marine and Great Lakes resources; and development of environmental observing technologies.

National Weather Service (NWS):

NWS provides weather, hydrologic, and climate forecasts and warnings for the United States, its territories, adjacent waters and ocean areas, for the protection of life and property and the enhancement of the national economy. NWS data and products are derived from a national information database and infrastructure and are available for use by other governmental agencies, the private sector, the public, and the global community.

National Environmental Satellite, Data and Information Service (NESDIS):

NESDIS operates the polar-orbiting and geostationary operational environmental satellites, develops the converged polar-orbiting satellite series with the Department of Defense and NASA, and manages NOAA's environmental data collections for use in studying long-term environmental change. The polar and geostationary satellites provide meteorological data to the NWS for use in developing warnings and forecasts. Environmental data and information are collected from NOAA and other sources, disseminated and archived for future use.

Program Support (PS):

Program Support includes Corporate Services, Facilities, and the Office of Marine and Aviation Operations (OMAO). Through Corporate Services, NOAA provides for overall NOAA management and administrative support, including acquisition and grants, budget, accounting, and human resources. The Facilities subactivity provides for repair and maintenance to existing facilities; facilities planning and design; and environmental compliance. OMAO operates and maintains NOAA's ships and aircraft and uses them to collect data to support NOAA's mission. OMAO also provides technical and management support through the NOAA Commissioned Corps, assists with outsourcing for ship and aircraft support, plans and implements the modernization of the NOAA fleet, and provides centralized guidance for NOAA's small-boat safety program. Additionally, OMAO operates the NOAA diving program and the Teacher at Sea program.

Other NOAA Accounts

Pacific Coastal Salmon Recovery was established in FY 2000 to fund State, Tribal and local conservation initiatives to help recover Pacific salmon populations in the states of California, Washington, Oregon, Idaho, and Alaska.

The **Fishermen's Contingency Fund** is used 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 or production in the Outer Continental Shelf. The funds are derived from fees collected annually by the Secretary of the Interior from the holders of leases, explorations, permits, easements, and rights of way.

The **Foreign Fishing Observer Fund** provides observer coverage of foreign fishing activities within the 200-mile EEZ. The fund is financed by fees collected from foreign governments with fishing vessels within the exclusive fishery jurisdiction of the U.S. The fund is used to pay salaries, administrative costs, data entry, and other expenses associated with the placement of observers aboard foreign fishing vessels.

The **Fisheries Finance Program Account (FFPA)** provides direct loans that promote building sustainable fisheries. The program provides Individual Fishing Quota (IFQ) financing at the request of a Fishery Management Council. At this time, IFQ financing is available to first time purchasers and small vessel operators in the Halibut Sablefish fisheries. Additionally, FFP provides financing for Community Development Quota groups fisheries investments in the Bering Sea Aleutian Islands Pollock fishery. The re-authorization of the Magnuson-Stevens Fisheries Conservation and Management Act in October 1996 changed the program to provide direct loans rather than loan guarantees previously made under the Fishing Vessel Obligation Guarantee appropriation.

The **Promote and Develop American Fishery Products & Research Pertaining to American Fisheries Fund** receives 30 percent of the import duties the Department of Agriculture collects on fishery-related products. A portion of these funds

is used to offset marine fishery resource programs in the Operations, Research and Facilities appropriation in FY 2007. The remaining funds are used to promote industry development through competitively-awarded external grants for innovative research and development of projects in the fishing industry and for internal research that complements the external 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. In FY 1999 and prior years, funds were transferred to the Operations, Research and Facilities account for purposes of damage assessment and restoration. Beginning in FY 2000, funds were expended in the DARRF and treated as mandatory budget authority. NOAA utilizes funds transferred to this account 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 **Coastal Zone Management Fund (CZM)** was established under the Omnibus Budget Reconciliation Act of 1990 (P.L. 101-158, Sec. 6201-6216) to receive repayments from the coastal energy impact program. These payments are used for CZM programs and administration as authorized by section 308 of the Coastal Zone Management Act (CZMA), and will offset CZM administration costs in the ORF account.

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** was established by Title III of Public Law 104-297. Fee collections equaling no more than one-half percent of the proceeds from the sale or transfer of limited access system permits are deposited into the Fund. These deposits to the Fund are used to administer an exclusive central registry system for the limited access system permits.

The **Environmental Improvement and Restoration Fund (EIRF)** was created by the Department of the Interior and Related Agencies Act, 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.

Marine Mammal Unusual Mortality Event Fund (MMUEF) 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.

Summary of FTE

	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations, Research & Facilities (ORF)	11,608	11,781	11,847	66
ORF Reimbursable	754	815	815	0
Procurement, Acquisition & Construction (PAC)	201	174	181	7
Limited Access System Administration Fund	22	0	0	0
Damage Assessment & Restoration Revolving Fund	12	16	16	0
Promote & Develop American Fishery Products	2	4	4	0
Pacific Coastal Salmon Recovery	0	0	0	0
Fishermen's Contingency Fund	1	1	1	0
TOTAL	12,600	12,791	12,864	73

Summary of Appropriations

(Dollars in thousands)

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Operations, Research & Facilities (ORF)	\$2,789,674	\$2,744,236	\$2,587,843	(\$156,393)
Procurement, Acquisition & Construction (PAC)	1,053,335	1,147,319	1,024,467	(122,852)
Coastal Zone Management Fund	3,000	3,000	3,000	0
Fishermen's Contingency Fund	492	0	0	0
Marine Mammal Unusual Event Mortality Fund	800	0	0	0
Fisheries Finance Program Account	628	283	0	(283)
Pacific Coastal Salmon Recovery	88,798	66,638	66,825	187
Medicare-Eligible Retiree Healthcare Fund	0	1,645	2,012	367
TOTAL APPROPRIATION	3,936,727	3,963,121	3,684,147	(278,974)
Transfers:				
<u>Operations, Research & Facilities</u>				
FROM: Promote & Develop Fishery Products	65,000	67,000	77,000	10,000
Coastal Zone Management Fund	3,000	3,000	3,000	0
Pacific Coastal Salmon Recovery	89	67	0	(67)
Procurement, Acquisition and Construction	1,842	1,147	0	(1,147)
Fisheries Finance Program Account	1	0	0	0
Department of Defense - Navy	18,000	0	0	0
Department of Interior	(4,500)	0	0	0
TO: Procurement, Acquisition and Construction	(366)	0	0	0
Fisheries Finance Program Account	(247)	(1,972)	0	1,972
Marine Mammal Commission	0	0	0	0
Subtotal, ORF	82,819	69,242	80,000	10,758
<u>Coastal Zone Management Fund</u>				
TO: ORF	(3,000)	(3,000)	(3,000)	0
<u>Pacific Coastal Salmon Recovery</u>				
TO: Fisheries Finance Program Account	(493)	0	0	0
TO: ORF	(89)	(67)	0	67
Subtotal, PCSR	(582)	(67)	0	67
<u>Procurement, Acquisition & Construction (PAC)</u>				
TO: ORF	(1,842)	(1,147)	0	1,147
FROM: ORF	366	0	0	0
TO: NASA	0	(26,629)	0	26,629
<u>Fisheries Finance Program Account (FFPA)</u>				
TO: ORF	(1)	0	0	0
FROM: Pacific Coastal Salmon Recovery	493	0	0	0
FROM: ORF	247	1,972	0	(1,972)
Subtotal, FFPA	739	1,972	0	(1,972)

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Promote & Develop American Fishery Products (P&D)				
TO: ORF	(\$65,000)	(\$67,000)	(\$77,000)	(\$10,000)
FROM: Department of Agriculture	77,539	79,283	79,283	0
Subtotal, P&D	12,539	12,283	2,283	(10,000)
TOTAL TRANSFERS	91,039	52,654	79,283	26,629
Unobligated balances, rescission				
Operations, Research & Facilities (ORF)	0	(11,629)	0	11,629
Procurement, Acquisition & Construction (PAC)	0	(13,371)	0	13,371
TOTAL UNOBLIGATED BALANCES, RESCISSION	0	(25,000)	0	25,000
Mandatory Accounts				
Damage Assessment & Restoration Revolving Fund	16	1,000	1,000	0
Fisheries Finance Program Account	5,144	6,316	0	(6,316)
Environmental Improvement and Restoration Fund	6,836	8,281	8,720	439
CZMF mandatory offsetting collections	(1,637)	(3,000)	(3,000)	0
Federal Ship Financing Fund	0	(2,000)	(2,000)	0
NOAA Corps Retirement Pay	17,574	18,504	19,322	818
Limited Access System Administration Fund	3,040	7,444	7,444	0
TOTAL BUDGET AUTHORITY	4,058,739	4,027,320	3,794,916	(232,404)
Mandatory Funds	108,512	115,828	110,769	(5,059)
Discretionary Budget Authority				
Operations, Research & Facilities (ORF)	2,872,493	2,801,849	2,667,843	(134,006)
P&D Transfer	(65,000)	(67,000)	(77,000)	(10,000)
Procurement, Acquisition & Construction (PAC)	1,051,859	1,106,172	1,024,467	(81,705)
Coastal Zone Management Fund	0	0	0	0
Fishermen's Contingency Fund	492	0	0	0
Marine Mammal Unusual Mortality Event Fund	800	0	0	0
Medicare-Eligible Retiree Healthcare Fund	0	1,645	2,012	367
Fisheries Finance Program Account	1,367	2,255	0	(2,255)
Pacific Coastal Salmon Recovery	88,216	66,571	66,825	254
TOTAL DISCRETIONARY	3,950,227	3,911,492	3,684,147	(227,345)
BUDGET AUTHORITY				

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>
2006 Appropriation			11,781	\$2,744,236
FY 2006 Unobligated Balance Rescission				(11,629)
<u>Transfers</u>				
From Promote and Develop American Fisheries		\$67,000		
From Coastal Zone Management Fund		3,000		
From Procurement, Acquisition Construction		1,147		
From Pacific Coastal Salmon Recovery		67		
From Promote and Develop American Fisheries		(1,972)		
Subtotal, Transfers			0	69,242
Adjustments to Base:				
<u>Adjustments</u>				
Terminations		(412,075)		
Restoration of FY 2006 Unobligated Balance Rescissions		11,629		
Partial Restoration of Rescissions		30,440		
Technical Adjustment - PAC WFO construction to facilities		1,000		
Subtotal, Adjustments			0	(369,006)
<u>Other Cost Changes</u>				
2006 Pay raise		4,662		
2007 Pay raise		17,423		
Payment to Working Capital Fund		290		
OMAO Wage Marine Overtime on NOAA Ships		96		
Full year costs in FY 2007 of positions financed for part-year in FY 2006	7	485		
Civil Service Retirement System(CSRS)		(1,737)		
Federal Employees' Retirement System(FERS)		5,946		
Thrift Savings Plan		496		
Federal Insurance Contributions Act (FICA) -OASDI		1,372		
Health insurance		4,652		
Employees' Compensation Fund		560		
Travel:				
Per diem		565		
Mileage		102		
Rent payments to GSA		935		
Printing and reproduction		64		
NARA		(76)		
Other services:				
Working Capital Fund		234		
Commerce Business System		384		

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
General Pricing Level Adjustment:				
Transportation of things		\$241		
Rental payments to others		286		
Communications, utilities and miscellaneous		896		
Other services		11,683		
Supplies		1,561		
Equipment		618		
Grants		488		
NOAA Norman Facility - OAR		770		
Fuel Costs - OMAO		2,827		
Subtotal, other cost changes			7	\$55,823
Less Amount Absorbed			0	(42,724)
TOTAL, ADJUSTMENTS TO BASE			7	(286,665)
2007 Base			11,788	2,445,942
Program Changes			59	232,901
TOTAL REQUIREMENTS			11,847	2,678,843
Recoveries from prior year obligations in FY 2007				(11,000)
Transfers:				
From Promote and Develop American Fishery Products and Research				(77,000)
From Coastal Zone Management Fund				(3,000)
2007 APPROPRIATION			11,847	2,587,843

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
National Ocean Service	1,219	\$505,019	1,221	\$358,182	1,227	\$394,455	6	\$36,273
National Marine Fisheries Service	2,552	685,528	2,552	567,924	2,587	648,988	35	81,064
Oceanic & Atmospheric Research	710	373,463	714	301,027	714	338,273	0	37,246
National Weather Service	4,597	753,603	4,597	746,001	4,606	783,446	9	37,445
National Environmental Satellite, Data & Information Service	717	180,529	717	144,594	717	149,579	0	4,985
Program Support	1,986	362,885	1,987	328,214	1,996	364,102	9	35,888
DIRECT OBLIGATIONS	11,781	2,861,027	11,788	2,445,942	11,847	2,678,843	59	232,901
NOAA Corp Retirement (mandatory)	0	18,504	0	19,322	0	19,322	0	0
TOTAL DIRECT OBLIGATIONS	11,781	2,879,531	11,788	2,465,264	11,847	2,698,165	59	232,901
REIMBURSABLE OBLIGATIONS								
Offsetting Collections	815	287,443	815	242,444	815	242,444	0	0
TOTAL OBLIGATIONS	12,596	3,166,974	12,603	2,707,708	12,662	2,940,609	59	232,901
FINANCING								
Federal Funds	0	(186,444)	0	(186,444)	0	(186,444)	0	0
Non-Federal Funds	0	(56,000)	0	(56,000)	0	(56,000)	0	0
Deobligations	0	0	0	(11,000)	0	(11,000)	0	0
Subtotal, Financing	0	(346,621)	0	(253,444)	0	(253,444)	0	0
TOTAL BUDGET AUTHORITY	12,596	2,820,353	12,603	2,454,264	12,662	2,687,165	59	232,901
Unobligated balance rescission	0	11,629	0	0	0	0	0	0
Transfers / Mandatory	0	(87,746)	0	(99,322)	0	(99,322)	0	0
APPROPRIATION, ORF	12,596	2,744,236	12,603	2,354,942	12,662	2,587,843	59	232,901

Highlights of Major Program Changes

<u>National Ocean Service (NOS)</u>	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Navigation Services	608	\$120,205	+5	+\$19,902

These increases will improve and expand NOAA's ability to provide navigational services, including: repair and harden NWLON stations, strengthening their ability to provide information during extreme weather events (0 FTE; +\$2,000); maintain and expand the Physical Oceanographic Real-Time System (PORTS) (0 FTE; +\$715); implement the National Vertical Datum Transformation Tool (VDATUM) database (+2 FTE; +\$2,000); improve data collection and processing for hydrographic and shoreline data (+1 FTE; +\$1,000); increase the contiguous Electronic Navigational Chart (ENC) coverage of U.S. waters (0 FTE; +\$1,890); collect and process an additional 500 square miles of hydrographic survey data (0 FTE; +\$10,487); and expand the regional component of the Navigation Response Teams (NRTs) (+2 FTE; +\$1,810).

Ocean Resources Conservation & Assessment	418	\$114,776	0	+\$11,669
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These increases will support regional expansion of the Coastal Storms program (0 FTE; +\$1,653); augment state and territory grants for implementation of Local Action Strategy priority projects for the Coral Reef Program (0 FTE; +\$962);

restore Response and Restoration capacities (0 FTE; +\$2,794); continue clean-up operations on the Pribilof Islands (0 FTE; +\$300); and fund research requirements of the Harmful Algal Bloom Research and Control Act (0 FTE; +\$5,960).

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Ocean and Coastal Management	195	\$123,201	+1	+\$4,702

These increases will support the Coastal Zone Management grants program, including support state participation in key U.S. Ocean Action Plan actions (0 FTE; +\$2,849); administer the CZMA and support the expansion of the National Estuarine Research Reserve System (NERRS) with a new reserve in Texas (+1 FTE; +\$628); provide operational funds for the new Texas NERR (0 FTE; +\$575); and support key science and analysis efforts in the Marine Protected Areas (0 FTE; +\$650).

National Marine Fisheries Service (NMFS)

Protected Species Research and Management	646	\$122,428	+11	+\$22,496
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These increases focus on programs such as researching the impacts of ocean noise, take reduction planning, recovery planning, ESA section 7 consultations, permitting and other mandatory status reviews (+2 FTE; +\$2,825); protected species stock assessments and mortality assessments and reduce bycatch of protected species (+5 FTE; +\$3,000); monitoring dolphin and large whale stocks (0 FTE; +\$1,759); researching marine turtles (0 FTE; +\$650); studying other protected species such as marine fish, plants and invertebrates (+4 FTE; \$+3,153); and implementing Atlantic and Pacific Salmon recovery plans (0 FTE; +\$11,109).

Fisheries Research and Management	1,422	\$265,746	+22	+\$25,916
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These increases will support a comprehensive program of rules, regulations, conditions, methods, fishery management plans, and other science-based measures, including the Regulatory Streamlining Program to improve the quality and timeliness of regulatory processes (+7 FTE; +\$2,829); research and monitoring of highly migratory species (0 FTE; +\$3,000); conduct catch and release research (0 FTE; +\$1,000); enhance economic and socio-cultural data collection programs (+7 FTE; +\$6,518); increasing the capacity of the Regional Fishery Management Councils and develop designated access programs (DAP) (0 FTE; +\$3,047); providing sufficient funds for fisheries oceanography and grant programs (0 FTE; +\$500); expanding annual stock assessments, especially in the Gulf of Mexico (+8 FTE; +\$7,550); supporting the collection, management, and dissemination of statistical data and information on marine commercial and recreational fisheries-fish info network (0 FTE; +\$2,109); administering three research and monitoring programs in the Pacific and Atlantic Ocean-survey and monitoring (0 FTE; +\$1,168); and providing grants to study anadromous species (0 FTE; +\$100). There is also a decrease for salmon management activities (0 FTE; -\$1,905).

Enforcement Observers/Training	249	\$73,224	+2	+\$7,473
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These increases are for activities that: assure compliance with the laws and regulations promulgated to conserve and protect our nation’s living marine resources, including increasing observer coverage (+2 FTE; +\$3,494); and provide sufficient funds for enforcement activities (0 FTE; +\$3,979).

Habitat Conservation and Restoration	235	\$28,698	0	+\$11,198
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These increases include funding for the Open Rivers Initiative to remove obsolete river barriers and enhance populations of key NOAA trust species (0 FTE; +\$6,000); research on the establishment of hydropower and its relationship to migrating fish (0 FTE; +\$3,698); and a Great Lakes Restoration Program (0 FTE; +\$1,500).

Other Activities Supporting Fisheries	0	\$48,104	0	+\$7,257
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This increase provides sufficient funding for various activities supporting fisheries including: study of climate regimes and ecosystem productivity (0 FTE; +\$501); information analyses and dissemination (0 FTE; +\$626); computer hardware/software (0 FTE; +\$1,383); cooperative research (+0 FTE; +\$994); and the Southeast Area Monitoring & Assessments Program (0 FTE; +\$3,753).

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Alaska Composite	0	\$29,724	0	+\$6,724

This increase supports activities in the Alaska region – including funding for administrative and support services and grants. This funding will allow NOAA, the State of Alaska, and our Alaskan partners – Alaska Native organizations, academia, and non-governmental organizations – to conduct scientific and management activities to ensure future sustainable and abundance-based harvest of certain living marine resources. Funding will also support continued longstanding efforts to monitor the recovery of select pinniped and marine mammal species such as Steller sea lions and beluga whales.

Oceanic and Atmospheric Research (OAR)

Climate Research	354	\$163,442	0	+\$17,709
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These increases are in support of the Nation’s Climate Change Science Program to restore funding for the climate research being conducted and climate data analysis including expanded monitoring of carbon sources and sinks, continued implementation of the global ocean observing system and more integrated information about water supply for improved drought management and planning.

Weather and Air Quality Research	184	\$36,796	0	+\$4,434
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This increase will support NOAA’s weather and air quality research, specifically Regional Air Quality Assessments and severe storm research.

Ocean, Coastal, and Great Lakes Research	163	\$94,347	0	+\$8,629
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These increases, in support of NOAA’s Ecosystems mission, are for the National Undersea Research Program (0 FTE; +\$4,990) in order to sustain a viable two-coast national program of undersea research, the NOAA Ocean Exploration Program (0 FTE; +\$1,513), Sea Grant(0 FTE; +\$741), the NOAA Aquatic Invasive Species Program (0 FTE; +\$1,506) as well as reductions to base laboratory and cooperative institute activities (0 FTE; -\$121).

Information Technology R&D, and Science Education	13	\$6,442	0	+\$6,474
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This increase will support information technology R&D, specifically for High Performance Computing and Communication in order to meet high priority mission goals in such areas of national concern as hurricane prediction.

National Weather Service (NWS)

Operations and Research (O&R)	4,415	\$659,202	9	+\$28,654
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These increases will: operate and maintain the seven new weather data buoys funded under the FY 2005 Hurricane Supplemental Appropriation (0 FTE; +\$1,400); sustain the Administration’s commitment to strengthen the U.S. Tsunami Warning Program (+4 FTE; +\$12,360); transfer the NOAA Wind Profilers from research to operations (+5 FTE; +\$3,500); expand the multi-year effort to improve aviation weather services (0 FTE; +\$1,200); improve air quality forecasting (0 FTE; +\$2,500); support efforts to sustain the Cooperative Observer Network (0 FTE; +\$890); improve services at the Space Environment Center (0 FTE; +\$3,199); increase the amount of weather research under the U.S. Weather Research Program – THORPEX (0 FTE; +\$2,457); support the Pacific Island Compact (0 FTE; +\$50); and improve advanced hydrological prediction services (0 FTE; +\$1,098).

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Systems Operations & Maintenance	182	\$86,799	0	+\$8,791

These increases will implement a network solution that resolves an existing single-point-of-failure associated with the commercial service provider to the Telecommunications Gateway (0 FTE; +\$2,500) and provide for necessary operations and maintenance services for the NEXRAD (0 FTE; +\$2,830) and AWIPS (0 FTE; +\$3,461) systems.

National Environmental, Satellite, Data, and Information Service (NESDIS)

Environmental Satellite Observing Systems	414	\$99,515	0	-\$1,845
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This net decrease reflects decreases for NOAA operational support of non-NOAA satellites and the planned phase out of the Global Winds Demo Project. This amount also includes an increase to restore Coral Reef Monitoring resources to provide products that are necessary to comply with Executive Order 13089, the Coral Reef Conservation Act of 2000, and the U.S. Ocean Action plan.

NOAA Data Centers & Information Services	303	\$45,079	0	+\$6,830
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This increase will carry out data archive, access and assessment activities, allowing NOAA to provide numerous data sets at all three centers. Without this additional funding, operations will be severely restricted at NOAA's National Data Centers, affecting the timeliness and quality of service to over 50,000 users from the private sector, academia, and government.

Program Support

Corporate Services	1,001	\$178,180	+2	+\$13,746
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This increase will provide sufficient funds for NOAA-wide General Counsel support as well as for dedicated, on-site legal support for activities in the Pacific Islands Region (+2 FTE; +\$2,737). An increase is also requested for administrative support services to the individual line offices (0 FTE; +\$8,959), and for implementation of agency-wide information technology security (0 FTE; +\$2,050).

NOAA Education Program	0	\$15,212	0	+\$4,100
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This increase is to provide dedicated funding for the Nancy Foster Scholarship program (0 FTE; +\$400) and the Ernest F. Hollings Scholarship program (0 FTE; +\$3,700). These two programs are currently funded through taxes on other NOAA programs. The Budget includes statutory language to allow for direct appropriations.

Facilities Maintenance	0	\$9,568	0	+\$9,395
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This increase maintains NOAA facilities, provides coordinated capital investment planning and execution for NOAA construction projects, and provides program direction and oversight for NOAA's major construction program.

Environmental Compliance and Safety	0	\$2,359	0	+\$1,687
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This increase is to support a safe and environmentally compliant work environment as required by Federal, state and local laws, and to address the backlog of environmental cleanup projects.

	<u>FTE</u>	<u>Base</u> <u>Amount</u>	<u>Increase / Decrease</u> <u>FTE</u>	<u>Amount</u>
Maritime Crew Safety and Rotation	0	\$0	0	+\$800

This increase will enable NOAA to enhance safety aboard NOAA vessels and improve crew retention.

Newer additions to NOAA's fleet over the last two years have operational and maintenance cost that cannot be absorbed in NOAA's current budget. To address these requirements NOAA is requesting funds for fuel, supply, and crew needs (7 FTE; +\$4,500), as well as maintenance and spare parts (0 FTE; +\$2,992) for these new NOAA vessels.

Future Healthcare Benefits for Current Officers	0	\$2,012	0	-\$2,012
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This decrease reflects the funding of future healthcare benefits in a separate account, Medicare-Eligible Retiree Healthcare Contribution Fund.

Aviation Operations	102	\$18,547	0	+\$680
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This increase will provide ongoing support for instrumentation upgrades. The NOAA G-IV aircraft is being modified by adding extensive instrumentation in order to provide data to the National Weather Service (NWS) Hurricane Weather Research and Forecasting (HWRF) computer model. The upgrade effort is targeted for completion by the start of the 2007 hurricane season.

Detailed Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
NATIONAL OCEAN SERVICE								
Navigation Services:								
Mapping & Charting	318	\$94,739	318	\$73,380	323	\$90,867	5	\$17,487
Geodesy	183	31,848	183	24,570	183	24,270	0	(300)
Tide and Current Data	107	24,654	107	22,255	107	24,970	0	2,715
Total, Navigation Services	608	151,241	608	120,205	613	140,107	5	19,902
Ocean Resources Conservation & Assessment:								
Ocean Assessment Program (OAP)	65	122,779	65	52,062	65	54,677	0	2,615
Response and restoration	112	37,882	112	21,642	112	24,736	0	3,094
NCCOS	239	53,796	241	41,072	241	47,032	0	5,960
Total, Ocean Res. Conservation & Assessment	416	214,457	418	114,776	418	126,445	0	11,669
Ocean & Coastal Management:								
Coastal Management	55	99,279	55	87,983	56	92,685	1	4,702
Marine sanctuary program	140	40,042	140	35,218	140	35,218	0	0
Total, Ocean & Coastal Management	195	139,321	195	123,201	196	127,903	1	4,702
TOTAL, NOS	1,219	505,019	1,221	358,182	1,227	394,455	6	36,273
NATIONAL MARINE FISHERIES SERVICE								
Protected Species Research & Management	646	146,885	646	122,428	657	144,924	11	22,496
Fisheries Research and Management	1,422	286,959	1,422	265,746	1,444	291,662	22	25,916
Enforcement & Observers/Training	249	82,448	249	73,224	251	80,697	2	7,473
Habitat Conservation & Restoration	235	47,459	235	28,698	235	39,896	0	11,198
Other Activities Supporting Fisheries	0	71,479	0	48,104	0	55,361	0	7,257
AK Composite Research and Develop.	0	50,298	0	29,724	0	36,448	0	6,724
TOTAL, NMFS	2,552	685,528	2,552	567,924	2,587	648,988	35	81,064
OCEANIC & ATMOSPHERIC RESEARCH								
Laboratories & Joint Institutions								
Climate Research	351	170,499	354	163,442	354	181,151	0	17,709
Weather and Air Quality Research	180	67,992	184	36,796	184	41,230	0	4,434
Ocean, Coastal and Great Lakes Research	166	128,190	163	94,347	163	102,976	0	8,629
Info Tech, R&D, and Science Education	13	6,780	13	6,442	13	12,916	0	6,474
TOTAL, OAR	710	373,463	714	301,027	714	338,273	0	37,246

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
NATIONAL WEATHER SERVICE								
Operations & Research:								
Local Warnings & Forecasts	4,116	\$597,629	4,116	\$590,134	4,125	\$616,490	9	\$26,356
AHPS	0	4,931	0	4,939	0	6,037	0	1,098
Aviation Weather	0	3,632	0	3,453	0	4,653	0	1,200
WFO maintenance	0	8,277	0	7,316	0	7,316	0	0
Weather radio transmitters	0	2,546	0	2,297	0	2,297	0	0
Subtotal	4,116	617,014	4,116	608,139	4,125	636,793	9	28,654
Central Forecast Guidance	299	51,418	299	51,063	299	51,063	0	0
Total, Operations & Research	4,415	668,432	4,415	659,202	4,424	687,856	9	28,654
Systems Operation and Maintenance:								
Public Warning & Forecast Systems								
NEXRAD	114	39,946	114	40,929	114	43,759	0	2,830
ASOS	32	8,498	32	8,716	32	8,716	0	0
AWIPS	36	33,611	36	34,142	36	37,603	0	3,461
NWSSTG backup - CIP	0	3,009	0	3,012	0	5,512	0	2,500
All Systems Operations & Maintenance	0	107	0	0	0	0	0	0
Total, Systems Oper. & Maint.	182	85,171	182	86,799	182	95,590	0	8,791
TOTAL, NWS	4,597	753,603	4,597	746,001	4,606	783,446	9	37,445
NATIONAL ENVIRONMENTAL SATELLITE								
DATA & INFORMATION SERVICE								
Environmental Satellite Observing Systems:								
Satellite command and control	179	44,611	179	44,588	179	43,788	0	(800)
Product processing and distribution	126	27,661	126	27,670	126	27,270	0	(400)
Product develop, readiness & appl.	103	32,244	103	25,416	103	24,771	0	(645)
IGEB	0	224	0	0	0	0	0	0
Commercial remote sensing	2	1,307	2	1,240	2	1,240	0	0
Remote Sensing Center	0	1,972	0	0	0	0	0	0
Office of Space Commercialization	4	591	4	601	4	601	0	0
Total, Environmental Satellite Observing Systems	414	108,609	414	99,515	414	97,670	0	(1,845)
NOAA Data Centers & Information Services:								
Archive, access & assessment	290	48,661	290	31,187	290	38,017	0	6,830
Coastal data development	0	5,408	0	4,546	0	4,546	0	0
Regional climate centers	0	2,960	0	0	0	0	0	0
International Pacific Research Ctr.	0	1,972	0	0	0	0	0	0
Pacific Ocean and Environmental Info. '1	0	2	0	0	0	0	0	0
Environmental data sys. modern.	13	9,663	13	9,346	13	9,346	0	0
National Climatic Data Center	0	296	0	0	0	0	0	0
Integrated Env. Appl. & Info. Ctr.	0	2,959	0	0	0	0	0	0
Tot., NOAA Data Centers & Info. Serv.	303	71,920	303	45,079	303	51,909	0	6,830
TOTAL, NESDIS	717	180,529	717	144,594	717	149,579	0	4,985

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
PROGRAM SUPPORT								
Corporate Services:								
Under Secretary & Assoc. Office	226	\$26,515	226	\$26,550	228	\$29,287	2	\$2,737
NOAA Wide Svcs & Agency Mgmt.	774	152,367	775	151,630	775	160,589	0	8,959
Office of Chief Information Officer	0	0	0	0	0	2,050	0	2,050
Sub-total, Corporate Services	1,000	178,882	1,001	178,180	1,003	191,926	2	13,746
NOAA Education Program	0	38,495	0	15,212	0	19,312	0	4,100
Facilities:								
Facilities Mgmt, Construct & Maint.	0	8,837	0	9,568	0	18,963	0	9,395
Environmental Compliance & Safety	0	2,367	0	2,359	0	4,046	0	1,687
Sub-total, Facilities	0	11,204	0	11,927	0	23,009	0	11,082
Total, Corporate Services	1,000	228,581	1,001	205,319	1,003	234,247	2	28,928
PROGRAM SUPPORT								
Office of Marine and Aviation Operations (OMAO)								
Marine Operations								
Marine Services	881	96,242	881	88,177	888	93,477	7	5,300
Fleet planning & maintenance	3	15,065	3	14,159	3	17,151	0	2,992
Sub-total, Marine Ops & Maint.	884	111,307	884	102,336	891	110,628	7	8,292
Aviation Operations								
Aircraft services	102	21,012	102	18,547	102	19,227	0	680
Sub-total, Aircraft Operations	102	21,012	102	18,547	102	19,227	0	680
NOAACorps pension & health benefits	0	1,984	0	2,012	0	0	0	(2,012)
Total, OMAO	986	134,304	986	122,895	993	129,855	7	6,960
TOTAL, PROGRAM SUPPORT	1,986	362,885	1,987	328,214	1,996	364,102	9	35,888
DIRECT OBLIGATIONS								
NOAA Corps retirement pay (mand.)	0	18,504	0	19,322	0	19,322	0	0
TOTAL DIRECT OBLIGATIONS	11,781	2,861,027	11,788	2,445,942	11,847	2,678,843	59	232,901
REIMBURSABLE OBLIGATIONS								
Offsetting collections	815	287,443	815	242,444	815	242,444	0	0
TOTAL OBLIGATIONS, ORF	12,596	3,166,974	12,603	2,707,708	12,662	2,940,609	59	232,901
FINANCING								
Unobligated balance, start of year	0	(104,177)	0	0	0	0	0	0
Federal funds	0	(186,444)	0	(186,444)	0	(186,444)	0	0
Non-Federal funds	0	(56,000)	0	(56,000)	0	(56,000)	0	0
De-obligations (direct)	0	0	0	(11,000)	0	(11,000)	0	0
Subtotal, Financing	0	(346,621)		(253,444)		(253,444)	0	0
TOTAL BUDGET AUTHORITY, ORF	12,596	2,820,353	12,603	2,454,264	12,662	2,687,165	59	232,901

	2006 Currently Avail.		2007 Base		2007 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>
Unobligated balance, rescission	0	\$11,629	0	\$0	0	\$0	0	\$0
FINANCING FROM:								
NOAA Corps retirement pay (mandatory)	0	(18,504)	0	(19,322)	0	(19,322)	0	0
From Promote and Develop American Fisheries	0	(67,000)	0	(77,000)	0	(77,000)	0	0
From Coastal Zone Management Fund	0	(3,000)	0	(3,000)	0	(3,000)	0	0
From Pacific Coastal Salmon Recovery	0	(67)	0	0	0	0	0	0
From Fisheries Finance Program Acct	0	0	0	0	0	0	0	0
From Procurement, Acquisition and Con To Fisheries Finance Program Acct	0	(1,147)	0	0	0	0	0	0
Subtotal, Transfers / Mandatory	0	(87,746)	0	(99,322)	0	(99,322)	0	0
APPROPRIATION, ORF	12,596	2,744,236	12,603	2,354,942	12,662	2,587,843	59	232,901

Appropriation: Procurement, Acquisition and Construction**Summary of Requirements**

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			174	\$1,147,319
FY 2006 Unobligated Balance Rescission				(13,371)
Transfers:				
To ORF - Hollings Scholarship		(\$1,147)		
To NASA - Construction		(26,629)		
Subtotal, Transfers				(27,776)
Adjustments to Base				
Adjustments				
Terminations		(206,818)		
Restoration of Unobligated Balance Rescission		13,371		
Restoration of Rescissions		2,288		
Technical Adjustment - WFO Construction to ORF Facilities		(1,000)		
Total Adjustments			0	(192,159)
TOTAL, ADJUSTMENTS TO BASE			0	(219,935)
2007 Base			174	914,013
Program Changes			7	112,454
TOTAL REQUIREMENTS			181	1,026,467
Recoveries from prior year obligations (FY 2007)				(2,000)
2007 APPROPRIATION			181	1,024,467

Comparison by Activity

	2006 Available		2007 Base		2007 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>
DIRECT OBLIGATIONS								
National Ocean Service								
Construction / Acquisition								
Coastal and Estuarine Land Conserv. Prg.	0	\$41,636	0	\$0	0	\$0	0	\$0
NERRS	0	16,238	0	4,873	0	7,178	0	2,305
Marine Sanctuaries	0	15,997	0	0	0	5,495	0	5,495
Other NOS Construction/Acquisition	0	32,724	0	0	0	0	0	0
Total, NOS PAC	0	106,595	0	4,873	0	12,673	0	7,800
National Marine Fisheries Service								
Systems Acquisition / Construction								
Fleet Replacement	0	40,556	0	0	0	0	0	0
Total, NMFS PAC	0	40,556	0	0	0	0	0	0
Oceanic and Atmospheric Research								
Systems Acquisition								
Construction	0	11,569	0	9,395	0	10,379	0	984
Total, OAR PAC	0	11,569	0	9,395	0	10,379	0	984
National Weather Service								
Systems Acquisition								
Construction	54	85,038	54	71,576	54	66,611	0	(4,965)
Total, NWS PAC	54	107,010	54	92,355	54	98,420	0	6,065
National Environmental Satellite, Data & Information Service:								
Systems Acquisition								
Geostationary Satellites	41	359,955	41	335,568	41	439,607	0	104,039
Polar-Orbiting Systems - POES	31	101,390	31	101,767	31	89,906	0	(11,861)
Polar-Orbiting Systems - NPOESS	43	317,068	43	317,592	43	337,870	0	20,278
EOS data processing & archiving	0	2,966	0	990	0	990	0	0
NESDIS CIP - single pt. of failure	0	2,798	0	2,772	0	2,772	0	0
NESDIS Systems Acquisition	0	8,876	0	6,476	0	6,476	0	0
NPOESS Preparatory Data Exploitation	0	4,437	0	4,455	0	4,455	0	0
Subtotal	115	797,490	115	769,620	115	882,076	0	112,456
Construction	0	3,358	0	2,228	0	2,228	0	0
Total, NESDIS PAC	115	800,848	115	771,848	115	884,304	0	112,456

	2006 Available		2007 Base		2007 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>
Program Support/ Corporate Services								
Corporate Services	0	\$288	0	\$0	0	\$0	0	\$0
Integrated Ocean Observing System	0	17,730	0	0	0	0	0	0
Construction	0	19,725	0	0	0	0	0	0
Subtotal	0	37,743	0	0	0	0	0	0
Program Support/ Office of Marine & Aviation Operations								
Fleet Replacement	5	77,022	5	35,542	12	20,691	7	(14,851)
Aircraft Replacement	0	23,866	0	0	0	0	0	0
Subtotal	5	100,888	5	35,542	12	20,691	7	(14,851)
Total, Program Support, PAC	5	138,631	5	35,542	12	20,691	7	(14,851)
TOTAL OBLIGATIONS, PAC								
Unobligated balance, start of year	0	(99,037)						
De-obligations	0	0	0	(2,000)	0	(2,000)	0	0
BUDGET AUTHORITY, PAC	174	1,106,172	174	912,013	181	1,024,467	7	112,454
Transfers (NASA + Hollings)	0	27,776	0	0	0	0	0	0
Unobligated balance, rescission	0	13,371	0	0	0	0	0	0
APPROPRIATION, PAC	174	1,147,319	174	912,013	181	1,024,467	7	112,454

Highlights of Program Changes

Procurement, Acquisition and Construction (PAC)

The PAC account captures the cost of acquiring and improving capital assets used by NOAA in carrying out its varied missions. This account is grouped by line office into three common activities: "Systems Acquisition" which contains projects associated with modernizing NOAA's weather and climate programs, including satellite procurement; "Construction" which contains projects involving new construction, or major modification of existing facilities; and "Fleet and Aircraft Replacement" which contains funding to support modernization of NOAA's fleet of ships and aircraft either through new construction, major modification to existing assets, or long-term acquisition of capacity from third parties.

National Ocean Service (NOS)

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
National Estuarine Research Reserve System Construction and Land Acquisition	0	\$4,873	0	+\$2,305

This increase will maintain the required level of funding to support the Federal-state partnership in NERRS-related discretionary land acquisition and construction projects.

Marine Sanctuaries Construction	0	\$0	0	+\$5,495
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This increase will provide for ongoing construction and repair projects within the National Marine Sanctuary system.

Office of Oceanic & Atmospheric Research (OAR)

	<u>FTE</u>	<u>Base</u>	<u>Increase / Decrease</u>	
		<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Research Supercomputing/Climate Change Computing Initiative	0	\$9,395	0	+\$984

This increase will support NOAA's Research Supercomputing capability at NOAA's Geophysical Fluid Dynamics Laboratory in Princeton, NJ.

National Weather Service (NWS)

System Acquisition	54	\$71,576	0	-\$4,965
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This decrease reflects a planned change in implementation strategy for: Automated Surface Observing System (ASOS) (0 FTE; -\$700); an extended deployment schedule for Radiosonde Network Replacement (0 FTE; -\$333); a termination of the NWS Coastal Global Observing System (0 FTE; -\$1,492); and completed buoy deployments for the U.S. Tsunami Warning Program (0 FTE; -\$2,440).

Construction	0	\$20,779	0	+\$11,030
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This increase will prepare the NOAA Center for Weather and Climate Prediction for FY 2008 occupancy and operations (0 FTE; +\$11,000) and support WFO construction activities (0 FTE; +\$30).

National Environmental Satellite, Data and Information Service (NESDIS)

Geostationary Operational Environmental Satellite (GOES)	41	\$335,568	0	+\$104,039
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A net increase (0 FTE; +104,039) is requested for NOAA's Geostationary Operational Environmental Satellite program, which includes an increase to continue the GOES-R series system acquisition (0 FTE; +\$113,442). The GOES-R series will be the next generation follow-on to the current GOES-N series satellites. Reductions are requested to reflect decreasing costs in the current GOES-I-M series, as FY 2006 was the last year of funding for this satellite series (0 FTE; -\$600), and decreased funding requirements for the development, procurement, and launch of the next three GOES satellites - the GOES-N series (0 FTE; -\$8,803).

Polar-orbiting Operational Environmental Satellite (POES)	31	\$101,767	0	-\$11,861
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This decrease is for the continuation of the POES programs. POES is nearing the end of its production, with one remaining satellite to be launched, along with support for the commissioning of the first METOP satellite in FY 2007.

National Polar-orbiting Operational Environmental Satellite System (NPOESS)	43	\$317,592	0	+\$20,278
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This increase is to continue the tri-agency NPOESS program that will replace the NOAA POES program after completion of the current NOAA-K-N series of satellites. This represents NOAA's share of a converged NOAA/DoD/NASA program. Funds are required to continue the development and production of the NPOESS instruments, including the Visible Infrared Image radiometer (VIIRS), the Conical Microwave Imager Sounder (CMIS), the Cross-track Infrared Sounder (CrIS), the Ozone, Mapping and Profiler Suite (OMPS), the Aerosol Polarimetry Sensor (APS), and the Space Environmental Sensing Suite (SESS).

Program Support / Office of Marine and Aviation Operations

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Fisheries Survey Vessels	5	\$32,356	0	-\$18,565

A net decrease in funding is requested for the Fisheries Survey Vessel (FSV) program. This includes an increase to restore funds congressionally rescinded in previous years (0 FTE; +\$1,000). A decrease is requested for the FSV 4 Fisheries Survey Vessel (0 FTE; -\$19,565), reflecting decreased requirements as the ship nears completion.

Hydro Survey Launch Construction	0	\$0	0	+\$2,400
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This increase is for the construction of two hydrographic survey launches equipped with multibeam sonar equipment. These survey launches significantly increase the capacity of the NOAA fleet to collect hydrographic data. They are a force multiplier that contributes to the reduction of NOAA's backlog of navigationally significant areas.

Berthing and Calibration for HENRY BIGELOW	0	\$0	+7	+\$4,500
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This increase will address both temporary and permanent berthing issues associated with delivery of NOAA's second new Fisheries Survey Vessel, HENRY B. BIGELOW (0 FTE; +\$1,000) and for operational and maintenance costs to calibrate HENRY B. BIGELOW (FSV 2) with the ship it eventually will replace, ALBATROSS IV, which is 45 years old. BIGELOW is scheduled for delivery in June, 2006 (+7 FTE; +\$3,500).

Upgrades for NANCY FOSTER, HIALAKAI	0	\$3,186	0	-\$3,186
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This decrease is requested as the project will be completed in FY 2006.

Appropriation: Pacific Coastal Salmon Recovery**Summary of Requirements**

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			0	\$66,638
Transfers:				
To ORF	0	(\$67)		
Total, Transfers			0	(67)
Adjustments:				
Restoration of FY 2006 Rescissions				254
2007 Base			0	66,825
Program Changes			0	0
2007 APPROPRIATION			0	66,825

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Grants	0	\$66,571	0	\$66,825	0	\$66,825	0	\$0
TOTAL OBLIGATIONS	0	66,571	0	66,825	0	66,825	0	0
FINANCING								
Transfer to ORF	0	67	0	0	0	0	0	0
Unobligated balance, start of year	0	0	0	0	0	0	0	0
TOTAL APPROPRIATION	0	66,638	0	66,825	0	66,825	0	0

This account funds Pacific Coastal Salmon Recovery for the purpose of helping share the costs of State, Tribal and local conservation initiatives. State and local recipients of this funding will provide matching contributions of at least thirty-three percent of the Federal funds. In addition, funds will be available to Tribes that do not require matching dollars. The Secretary will establish terms and conditions for the effective use of the funds and specific reporting requirements appropriate for ensuring proper accountability of the funds provided.

Appropriation: Limited Access System Administration Fund*Summary of Requirements*

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$7,444
Adjustments to Base	0	0
2007 Base	0	7,444
Program Changes	0	0
2007 MANDATORY APPROPRIATION	0	7,444

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$11,796	0	\$7,444	0	\$7,444	0	\$0
TOTAL OBLIGATIONS	0	11,796	0	7,444	0	7,444	0	0
FINANCING								
Unobligated balance, start of year	0	(4,352)	0	0	0	0	0	0
TOTAL BUDGET AUTHORITY / APPROPRIATION	0	7,444	0	7,444	0	7,444	0	0

This fund was established by Title III of Public Law 104-297. Fee collections equaling no more than one-half percent of the proceeds from the sale or transfer of limited access system fishing permits are deposited into the Fund. These deposits to the Fund are used to administer an exclusive central registry system for the limited access system permits.

Appropriation: Fishermen's Contingency Fund*Summary of Requirements*

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	1	\$0
Adjustments to Base	0	0
2007 Base	<u>1</u>	<u>0</u>
Program Changes	0	0
2007 APPROPRIATION	<u>1</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Administrative Expenses	1	\$453	1	\$441	1	\$441	0	\$0
Payment of Claims & Other Services	0	0	0	0	0	0	0	0
TOTAL OBLIGATIONS	<u>1</u>	<u>453</u>	<u>1</u>	<u>441</u>	<u>1</u>	<u>441</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year	0	(894)	0	(441)	0	(441)	0	0
Unobligated balance, end of year	0	441						
TOTAL APPROPRIATION	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>

The Fishermen's Contingency Fund is used 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 or production in the Outer Continental Shelf. The funds are derived from fees collected annually by the Secretary of the Interior from the holders of leases, explorations, permits, easements and rights of way. No new funds are proposed for this account, as remaining unobligated balances are sufficient to carry out this program for the year.

Appropriation: Foreign Fishing Observer Fund

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$0
Adjustments to Base	0	0
2007 Base	<u>0</u>	<u>0</u>
Program Changes	0	0
2007 APPROPRIATION	<u>0</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$250	0	\$272	0	\$272	0	\$0
TOTAL OBLIGATIONS	<u>0</u>	<u>250</u>	<u>0</u>	<u>272</u>	<u>0</u>	<u>272</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year	0	(522)	0	(272)	0	(272)	0	0
Unobligated balance, end of year	<u>0</u>	<u>272</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

The Foreign Fishing Observer Fund provides observer coverage of foreign fishing activities within the 200-mile Exclusive Economic Zone. The fund is financed by fees collected from foreign governments with fishing vessels within the exclusive fishing jurisdiction of the United States. The fund is used to pay salaries, administrative costs, data entry and other expenses associated with the placement of observers aboard foreign fishing vessels. No new funds are proposed for this account, as remaining unobligated balances are sufficient to carry out this program for the year.

Appropriation: Fisheries Finance Program Account**Summary of Requirements**

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			0	\$283
Transfers:				
From ORF		\$1,972		
To ORF		0		
Total, Transfers			0	1,972
Adjustments:				
Non-recurring item				(2,255)
2007 Base			0	0
Program Changes			0	0
2007 APPROPRIATION			0	0

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Credit Reestimates	0	\$6,316	0	\$0	0	\$0	0	\$0
Cost of Loan Subsidy	0	2,255	0	0	0	0	0	0
TOTAL OBLIGATIONS	0	8,571	0	0	0	0	0	0
FINANCING								
Unobligated balance, start of year	0	(2,697)	0	(2,697)	0	(2,697)	0	0
Unobligated balance, end of year	0	2,697	0	2,697	0	2,697	0	0
Mandatory Appropriation	0	(6,316)	0	0	0	0	0	0
TOTAL BUDGET AUTHORITY	0	2,255	0	0	0	0	0	0
Subtotal, Transfers	0	(1,972)	0	0	0	0	0	0
TOTAL APPROPRIATION	0	283	0	0	0	0	0	0

This account was established in FY 1997 to cover the cost of financing direct loans as authorized by Title XI of the Merchant Marine Act of 1936. The President's Request proposes loan levels of \$5 million for individual fishing quotas, which does not require appropriated subsidy, as they have negative subsidy rates.

Appropriation: Promote and Develop American Fishery Products & Research Pertaining to American Fisheries

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			4	\$0
<u>Transfers</u>				
From Department of Agriculture		\$79,283		
To NOAA ORF		(67,000)		
Total, Transfers			0	12,283
Adjustments to Base			0	(10,000)
2007 Base			<u>4</u>	<u>2,283</u>
Program Changes			0	0
TOTAL REQUIREMENTS			<u>4</u>	<u>2,283</u>
<u>Transfers</u>				
From Department of Agriculture			0	(79,283)
To NOAA ORF			0	77,000
2007 APPROPRIATION			<u>4</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	4	\$12,940	4	\$2,283	4	\$2,283	0	\$0
TOTAL OBLIGATIONS	<u>4</u>	<u>12,940</u>	<u>4</u>	<u>2,283</u>	<u>4</u>	<u>2,283</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year		(657)						
TOTAL BUDGET AUTHORITY	<u>4</u>	<u>12,283</u>	<u>4</u>	<u>2,283</u>	<u>4</u>	<u>2,283</u>	<u>0</u>	<u>0</u>
TRANSFERS								
From Dept of Agriculture	0	(79,283)	0	(79,283)	0	(79,283)	0	0
To NOAA ORF	0	67,000	0	77,000	0	77,000	0	0
TOTAL APPROPRIATION	<u>4</u>	<u>0</u>	<u>4</u>	<u>0</u>	<u>4</u>	<u>0</u>	<u>0</u>	<u>0</u>

The American Fisheries Promotion Act of 1980 authorized a grants program for fisheries research and development projects to be carried out with Saltonstall-Kennedy (S-K) funds. S-K funds are derived from duties on imported fisheries products; 30 percent of these duties are transferred from the Department of Agriculture to the Department of Commerce. The FY 2007 budget estimate of the transfer is \$79.3 million. Of this amount, \$2.3 million will be used for the grants program and the remaining \$77 million will be transferred to offset the ORF appropriation. This program supports the NOAA strategic plan goal to build sustainable fisheries.

Appropriation: Damage Assessment and Restoration Revolving Fund**Summary of Requirements**

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	16	\$1,000
Adjustments to Base	0	0
2007 Base	<u>16</u>	<u>1,000</u>
Program Changes	0	0
2007 MANDATORY BUDGET AUTHORITY	<u>16</u>	<u>1,000</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	16	\$20,853	16	\$4,000	16	\$4,000	0	\$0
REIMBURSABLE OBLIGATIONS	0	2,000	0	2,000	0	2,000	0	0
TOTAL OBLIGATIONS	<u>16</u>	<u>22,853</u>	<u>16</u>	<u>6,000</u>	<u>16</u>	<u>6,000</u>	<u>0</u>	<u>0</u>
FINANCING								
Estimated collections	0	(2,000)	0	(2,000)	0	(2,000)	0	0
Unobligated balance, start of year	0	(16,853)	0	0	0	0	0	0
Unobligated balance, end of year	0		0	0	0	0	0	0
Transfer of unobligated balances from DOI	0	(3,000)	0	(3,000)	0	(3,000)	0	0
TOTAL MANDATORY BUDGET AUTHORITY	<u>16</u>	<u>1,000</u>	<u>16</u>	<u>1,000</u>	<u>16</u>	<u>1,000</u>	<u>0</u>	<u>0</u>

This fund was established in 1990 to facilitate oil and hazardous material spill response, damage 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 source of these funds are settlements and awards by the courts. Receipts from settlements are expected to be \$2.0 million in FY 2007.

Appropriation: Coastal Zone Management Fund*Summary of Requirements*

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$3,000
Adjustments to Base		0
Transfer to ORF	0	(3,000)
2007 Base	<u>0</u>	<u>0</u>
Program Change	0	0
TOTAL BUDGET AUTHORITY	<u>0</u>	<u>0</u>
Transfer to ORF	0	3,000
2007 APPROPRIATION	<u>0</u>	<u>3,000</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$0	0	\$0	0	\$0	0	\$0
TOTAL OBLIGATIONS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL APPROPRIATION	0	3,000	0	3,000	0	3,000	0	0
Transfer to ORF	0	(3,000)	0	(3,000)		(3,000)	0	0
Budget Authority, Discretionary		0	0	0	0	0	0	0
Less: Offsetting collections, Mandatory		(3,000)	0	(3,000)	0	(3,000)	0	0
TOTAL MANDATORY BUDGET AUTHORITY	<u>0</u>	<u>(3,000)</u>	<u>0</u>	<u>(3,000)</u>	<u>0</u>	<u>(3,000)</u>	<u>0</u>	<u>0</u>

In FY 2007, NOAA proposes to continue the transfer of authorized funding in the Coastal Zone Management Fund to the ORF account to offset the costs of implementing the Coastal Zone Management Act of 1972, as amended.

Appropriation: Federal Ship Financing Fund**Summary of Requirements**

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Mandatory Budget Authority	0	(\$2,000)
Adjustments to Base	0	0
2007 Base	0	(2,000)
Program Changes	0	0
2007 MANDATORY BUDGET AUTHORITY	0	(2,000)

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$3,000	0	\$3,000	0	\$3,000	0	\$0
TOTAL OBLIGATIONS	0	3,000	0	3,000	0	3,000	0	0
FINANCING								
Unobligated balance, start of year		0	0	0	0	0	0	0
Unobligated balance transfer to Misc. Receipts		0	0	0	0	0		
Less: offsetting collections	0	(5,000)	0	(5,000)	0	(5,000)	0	0
TOTAL MANDATORY BUDGET AUTHORITY	0	(2,000)	0	(2,000)	0	(2,000)	0	0

Premiums and fees collected under the Fishing Vessel Obligations Guarantee program for loan commitments made prior to October 1, 1991 are deposited in this fund to pay the costs of defaults, foreclosures, and federal up keep activities. Proceeds from the sale of collateral are also deposited in the fund for defaults on loans committed prior to October 1, 1991.

Appropriation: Environmental Improvement and Restoration Fund

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$8,281
Adjustments for Reestimate	0	439
2007 Base	<u>0</u>	<u>8,720</u>
Program Change	0	0
2007 MANDATORY APPROPRIATION	<u>0</u>	<u>8,720</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$15,117	0	\$8,720	0	\$8,720	0	\$0
TOTAL OBLIGATIONS	<u>0</u>	<u>15,117</u>	<u>0</u>	<u>8,720</u>	<u>0</u>	<u>8,720</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year		(6,836)						
TOTAL MANDATORY BUDGET AUTHORITY	<u>0</u>	<u>8,281</u>	<u>0</u>	<u>8,720</u>	<u>0</u>	<u>8,720</u>	<u>0</u>	<u>0</u>

This fund was established by Title IV of P.L. 105-83, the Department of the Interior and Related Agencies Appropriations Act, 1998. Twenty percent of the interest earned from this fund is made available to the Department of Commerce. Funds are to be used to 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. Research priorities and grant requests are reviewed and approved by the North Pacific Research Board with emphasis placed on cooperative research efforts designed to address pressing fishery management or marine ecosystem information needs. This program supports the NOAA strategic plan goal to protect, restore, and manage the use of coastal and ocean resources through ecosystem-based management.

Appropriation: Marine Mammal Unusual Mortality Event Fund**Summary of Requirements**

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$0
Adjustments to Base	0	0
2007 Base	<u>0</u>	<u>0</u>
Program Changes	0	0
2007 APPROPRIATION	<u>0</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$800	0	\$0	0	\$0	0	\$0
TOTAL OBLIGATIONS	<u>0</u>	<u>800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year	0	(800)	0	0	0	0	0	0
TOTAL BUDGET AUTHORITY / APPROPRIATION	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

In response to the death of more than 700 bottlenose dolphins on the East Coast of the United States in 1987-88, NMFS established the Marine Mammal Health and Stranding Response Program, and within it, the Working Group on Unusual Marine Mammal Mortality Events to determine when an unusual mortality event is occurring, and then to direct responses to such events. Funding from this account will be made available to members of the Marine Mammal Stranding Network for costs incurred in investigating the death of marine mammals.

Appropriation: Medicare-Eligible Retiree Healthcare Fund*Summary of Requirements*

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$1,645
Adjustments for Reestimate	0	367
2007 Base	0	2,012
Program Changes	0	0
2007 APPROPRIATION	0	2,012

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS	0	\$1,645	0	\$2,012	0	\$2,012	0	\$0
TOTAL OBLIGATIONS	0	1,645	0	2,012	0	2,012	0	0
FINANCING								
Unobligated balance, start of year	0		0	0	0	0	0	0
TOTAL BUDGET AUTHORITY / APPROPRIATION	0	1,645	0	2,012	0	2,012	0	0

This account includes amounts necessary to finance 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. Previously the Operations, Research, and Facilities account was required to pay the accruing costs using annual appropriations. As these costs are borne in support of NOAA's mission, they will be shown as part of the NOAA discretionary total. The 2007 appropriations requested in the Operations, Research, and Facilities account to fund the NOAA Commissioned Corps exclude funding to make the health accrual payments. Total obligations on behalf of active NOAA Commissioned Corps personnel include both the wages and related amounts requested for appropriation and amounts paid from the permanent, indefinite authority.

NOAA Performance Measures

For FY 2007, NOAA has identified a series of performance measures that can be used to assess the effectiveness of its program activities. This list of measures focuses on NOAA's priority programs and program goals and can be expected to evolve over time as NOAA, the Department, and the Administration continue to refine and develop effective performance measures to use as a key management tool, and to implement the Government Performance and Results Act and the President's Management Agenda for Budget and Performance Integration.

NOAA contributes to the third Departmental Strategic Goal: Observe, Protect, and Manage the Earth's Resources to Promote Environmental Stewardship. To track progress in the implementation of NOAA's Strategic Plan for 2006 - 2011 and its annual performance, NOAA developed performance measures for each of the four performance mission goals. NOAA has strived to make these measures an indication of the outcomes of its programs, and they are among important benchmarks used by NOAA to track progress in meeting its goals and objectives. The following table shows the measures that NOAA uses to gauge its performance. A more detailed description of these goals and measures is in the NOAA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Goal 1: Protect, Restore and Manage the use of Coastal and Ocean resources through Ecosystem approach to management	\$1,385.2	\$1,285.6	\$1,100.6
Fish Stock Sustainability Index (FSSI) ¹	500.5	510.5	512.5
Percentage of Living Marine Resources (LMR) with adequate population assessments and forecasts ¹	41.5	41.3	40.4
Percentage of tools, technologies, and information services that are used by NOAA partners/customers to improve ecosystems-based management ¹	New	New	TBD (will be ready for use in FY 2007)
Number of protected species designated as threatened, endangered or depleted with stable or increasing population levels ^{2,3}	24	24	26
Cumulative number of coastal, marine, and Great Lakes issue-based forecasting capabilities developed and used for management ²	25	31	38
Annual number of coastal, marine, and Great Lakes ecological characterizations that meet management needs ²	New	53	54
Number of coastal, marine, and Great Lakes habitat acres acquired or designated for long-term protection (annual) ^{2,6}	1,705	200,137	86,046,286
Number of habitat acres restored (annual / cumulative)	8,333 / 24,916	4,500 / 29,416	4,575 / 33,991
Goal 2: Understand climate variability and change to enhance society's ability to plan and respond	\$316.0	\$250.7	\$230.1
U.S. temperature forecasts (cumulative skill score)	19	18	19
Reduce the uncertainty in the magnitude of the North American (NA) Carbon Uptake	+/- 0.40 Gt Carbon / year	+/- 0.40 Gt Carbon / year	+/- 0.38 Gt Carbon / year
Reduce the uncertainty in model simulations of the influence of aerosols on climate ²	New	Establish 10% improvement in uncertainty in model simulations of how NA aerosols influence climate	Establish 15% improvement in uncertainty in model simulations of how NA aerosols influence climate

	2005 <u>Actual</u>	2006 <u>Estimate / Target</u>	2007 <u>Estimate / Target</u>
Determine the National explained variance (%) for temperature and precipitation for the contiguous U.S.	Captured 96.9% of annual National temperature trend and 91.4% of annual National precipitation trend	Capture 96.9% of the annual National temperature trend and 91.4% of the annual National precipitation trend	Capture 97.2% of the annual National temperature trend and 92.3% of the annual National precipitation trend
Reduce the error in global measurement of sea surface temperature ²	New	0.5 C	0.4 C
Improve society's ability to plan and respond to climate variability and change using NOAA climate products and information ²	New	32 risk assessments / evaluations to decision makers	35 risk assessments / evaluations to decision makers
Goal 3: Serve society's needs for weather and water information	\$851.8	\$932.6	\$904.0
Lead time (minutes), accuracy (%) and False Alarm Rate (FAR) (%) for tornado warnings ⁴	13 / 75% / 77%	13 / 76% / 75%	14 / 76% / 74%
Lead time (minutes) and accuracy (%) for flash flood warnings ⁴	54 / 88%	48 / 89%	49 / 90%
Hurricane forecast track error (48 hour) ⁴	TBD	111	110
Accuracy (%) (threat score) of Day 1 precipitation forecasts	29	28	29
Lead time (hours) and accuracy (%) for winter storm warnings ⁴	17 / 91%	15 / 90%	15 / 90%
Cumulative percentage of U.S. shoreline and inland areas that have improved ability to reduce coastal hazard impacts	28%	32%	39%
Goal 4: Support the Nation's commerce with information for safe, efficient, and environmentally sound transportation	\$187.6	\$182.2	\$170.7
Reduce the hydrographic survey backlog within navigationally significant areas (sq. nautical miles surveyed per year)	3,079	2,500	3,000
Percentage of U.S. counties rated as fully enabled or substantially enabled with accurate positioning capacity ²	28	39	49
Accuracy (%) and FAR (%) of forecasts of ceiling and visibility (3 miles / 1000 feet)	46% / 63%	47% / 65%	48% / 64%
Accuracy (%) of forecast for wind speed and wave height	57% / 67%	58% / 68%	58% / 68%
Goal 5: Provide critical support for NOAA's mission⁵	\$1,360.4	\$1,419.0	\$1,412.8
Total	\$4,101.0	\$4,070.1	\$3,818.2

1. This is a new measure for FY 2007.

2. This is a new measure for FY 2006.

3. FY 2005 data is a projection.

4. FY 2005 actual was not reported as final in the FY 2005 DOC Performance and Accountability Report. Final is reported here.

5. There are no GPRA measures for the Mission Support goal since the activities of this goal support the outcomes of the Mission goals.

6. In FY 2007 NOAA plans to designate the Northwest Hawaii Islands National Marine Sanctuary. (This increases the number of protected acres by 84,365,000. The Reserve is the second largest marine protected area in the world, and is the largest protected area in U.S. history.)

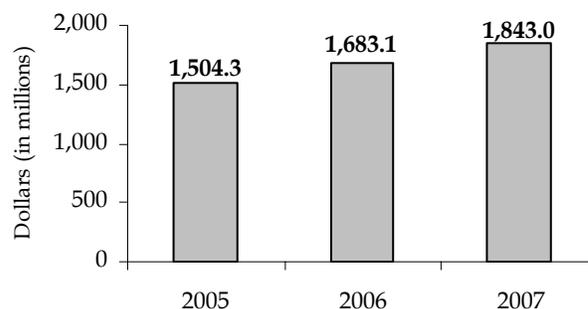
The total obligations may differ from those reported in the Congressional Justification exhibits due to the inclusion of mandatory funds in the amounts cited above.



U.S. Patent and Trademark Office

The mission of the U.S. Patent and Trademark Office (PTO) is to ensure that the intellectual property system contributes to a strong global economy, encourages investment in innovation, and fosters entrepreneurial spirit. This mission is accomplished by the USPTO through its two businesses, Patents and Trademarks, which aim to: 1) Promote the progress of science and the useful arts by securing for limited times to inventors the exclusive rights to their discoveries (Article 1, Section 8 of the United States Constitution), and (2) Provide businesses with enhanced protection of trademark rights and notices of the trademark rights claimed by others, as well as protect consumers against confusion and deception in the marketplace.

PTO Program Level



Summary of Appropriations

Funding Levels

	2005	2006	2007	Increase (Decrease)
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
New Offsetting Collections/Program Level	\$1,504,266	\$1,683,086	\$1,842,966	\$159,880
Fee Collections	(1,504,266)	(1,683,086)	(1,842,966)	(159,880)
TOTAL APPROPRIATION/BUDGET AUTHORITY	0	0	0	0
FTE	6,825	7,875	8,557	682

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>
2006 Appropriation				
Fee collections in 2006			7,875	\$1,683,086
Unavailable offsetting collections				0
Funds Currently Available, 2006			7,875	1,683,086
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$5,611		
2007 Pay raise		13,517		
Full year cost of positions financed in FY 2005	282	20,731		
Within-grade step increases		8,646		
Civil Service Retirement System (CSRS)		(822)		
Federal Employees' Retirement System (FERS)		4,192		
Thrift Savings Plan		235		
Federal Insurance Contributions Act (FICA) -OASDI		1,311		
Health insurance		3,547		
Travel		1		
Rent payments to GSA		1,561		
Printing and reproduction		1,679		
General Pricing Level Adjustment:		10,017		
Subtotal, other cost changes			282	70,226
TOTAL, ADJUSTMENTS TO BASE			282	70,226
2007 Base			8,157	1,753,312
Program Changes			400	89,654
TOTAL REQUIREMENTS			8,557	1,842,966
Total Offsetting Fee Collections				(1,842,966)
Portion Not Available for Obligation (Limitation on Obligation)				0
2007 APPROPRIATION			8,557	0

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Patents	6,996	\$1,495,050	7,207	\$1,556,393	7,582	\$1,640,421	375	\$84,028
Trademarks	879	188,036	950	196,919	975	202,545	25	5,626
TOTAL OBLIGATIONS	7,875	1,683,086	8,157	1,753,312	8,557	1,842,966	400	89,654
FINANCING								
Fees		(1,683,086)				(1,842,966)		
Prior year recoveries/Reimbursements		(5,000)				(5,000)		
Unobligated Balance, Start of Year		(5,728)				(10,728)		
Unobligated Balance, End of Year		10,728				15,728		
TOTAL APPROPRIATION/ BUDGET AUTHORITY	7,875	0			8,557	0		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Patent Process	7,207	\$1,556,393	+375	+\$84,029

This increase will support the Patent Business goals to minimize patent application processing time and enhance the quality of products and services. Resources will be used to hire additional examination staff, continue refining the system for electronic filing and processing of applications, and improve the quality of products through enhanced quality assurance programs and examiner certification/recertification.

Trademark Process	950	196,919	+25	+\$5,625
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This increase will support the Trademark Business goals to minimize trademark application processing time and enhance the quality of products and services. USPTO will use resources to hire additional examiners, and improve the quality of products through enhanced quality assurance programs and examiner certification/recertification.

USPTO Performance Measures

In order to achieve the USPTO's mission, the Agency developed the *21st Century Strategic Plan* covering FY 2004 - 2008. This plan transforms the USPTO into a more agile, capable, and productive organization. Congress, owners of intellectual property, the Patent Bar, and the public-at-large have told the USPTO that it must (1) improve patent and trademark quality, (2) aggressively implement e-Government to handle the workload associated with the 21st Century economy, and (3) reduce patent and trademark pendency. The USPTO has identified three performance goals that correspond directly to these challenges:

Goal 1: Improve the quality of patent products and services and optimize patent processing time

The core process under Goal 1 is the examination of an inventor's application for a patent by comparing the claimed subject matter of the application to a large body of technological information to determine whether the claimed invention is new, useful, and non-obvious to someone knowledgeable in that subject matter. A quality review of the examination requirements and practice includes reviewing a random sample of both in-process and allowed applications for quality. The patent examination process also includes deciding appeals regarding issues of patentability and preparing interference proceedings. With the recent enactment of the Fee Bill and revenue increases, revisions to current rules, and legislation streamlining the patent system, the agency will be able to hire sufficient numbers of new patent examiners to control patent pendency through achieving a 23.0 month pendency to first action on the merits and 32.0 months overall pendency in FY 2007.

Goal 2: Improve the quality of trademark products and services and optimize trademark processing time

The core process under Goal 2 is the examination of applications for trademark registration. As part of that examination, examining attorneys make determinations of registrability under the provisions of the Trademark Act of 1946, as amended, including searching the electronic databases for any pending or registered marks to determine if a mark in the subject application is confusingly similar to an existing mark, prepare letters informing applicants of the attorney's findings, approve applications to be published for opposition, and examine Statements of Use in applications filed under the Intent to Use provisions of the Trademark Act. At the requested funding level in FY 2007, Trademarks will be able to hire sufficient numbers of new examining attorneys to achieve a trademark first action pendency of 3.7 months and a total pendency of 17.3 months.

Goal 3: Create a more flexible organization through transitioning patent and trademark operations to an e-Government environment and advancing IP development worldwide

The USPTO has made significant strides toward achieving the milestones and goals of the e-Government initiatives of the *21st Century Strategic Plan*. In Patents, implementation of the IFW — electronic version of paper patent application file wrapper — has been substantially completed. IFW was fully deployed before October 1, 2004. Completion of this phase of e-government provides instant and concurrent access to a patent application, eliminates examiner interruption for paper entry, and eliminates the loss or damage experienced with paper files.

In FY 2007, the USPTO aims to achieve these goals through a number of priority efforts that improve or transform existing programs. These include continued development of an operational system to process patent applications electronically, continuing the transition of the trademark operations to a fully electronic environment, enhancing the current quality assurance programs by integrating reviews to cover all stages of examination, and achieving greater examiner productivity by reducing the prior art search burden. A more detailed presentation of goals and performance measures can be found in the USPTO's FY 2007 Budget submission.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 Estimate / <u>Target</u>	2007 Estimate / <u>Target</u>
Goal 1: Improve the quality of patent products and services and optimize patent processing time	\$1,213.2	\$1,335.1	\$1,472.5
Allowance error rate	4.6%	4.0%	4.0%
In-process examination compliance rate	84.0%	86.0%	88.0%
Average patent first actions pendency (months)	21.1	22.0	23.0
Average patent total pendency (months)	29.1	31.3	32.0
Goal 2: Improve the quality of trademark products and services and optimize trademark processing time	\$141.6	\$142.8	\$148.3
Trademark final action deficiency rate	5.9%	6.5%	6.0%
Trademark first action deficiency rate	4.7%	6.5%	6.0%
Average trademark first actions pendency (months)	6.3	5.3	3.7
Average trademark total pendency (months)	19.6	18.8	17.3
Goal 3: Create a more flexible organization through transitioning patent and trademark applications to e-Government operations and participating in IP development worldwide	\$153.6	\$205.2	\$222.2
Patent applications filed electronically	2.2%	10.0%	20.0%
Patent applications managed electronically	96.7%	99.0%	99.0%
Trademark applications filed electronically	88.0%	80.0%	80.0%
Trademark applications managed electronically	99.9%	99.0%	99.0%
Technical assistance activities completed (activities / countries)	59/142	82/77	84/79
Total	\$1,508.4	\$1,683.1	\$1,843.0



Technology Administration

The Technology Administration (TA) works to promote national policies and initiatives that maximize technology's contribution to U.S. economic growth. Led by the Under Secretary for Technology (TA/US), TA fulfills its broad responsibilities through its component organizations: the National Institute of Standards and Technology (NIST) and the National Technical Information Service (NTIS).

Summary of Appropriations

<u>Funding Levels</u>	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Under Secretary for Technology	\$6,460	\$5,923	\$1,485	(\$4,438)
National Institute of Standards and Technology	699,225	752,037	581,332	(170,705)
National Technical Information Service	0	0	0	0
<u>FTE</u>				
Under Secretary for Technology	28	20	5	(15)
National Institute of Standards and Technology	2,753	2,910	2,969	59
National Technical Information Service	157	200	200	0

TA Performance Measures

The activities under the TA accounts support Commerce's strategic goal to foster science and technological leadership by protecting intellectual property, enhancing technical standards, and advancing measurement science.

National Institute of Standards and Technology will focus on two performance goals. One covers the activities of the NIST laboratory program and the other covers the Hollings Manufacturing Extension Partnership Program. The 2007 Budget proposes to terminate the Advanced Technology Program, which covered activities under NIST goal 2.

National Technical Information Service's focus is on the following performance goal: Enhance public access to worldwide scientific and technical information through improved acquisition and dissemination activities.

The following table shows the measures that TA uses to gauge its performance. A more detailed description of these goals and measures is in the TA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

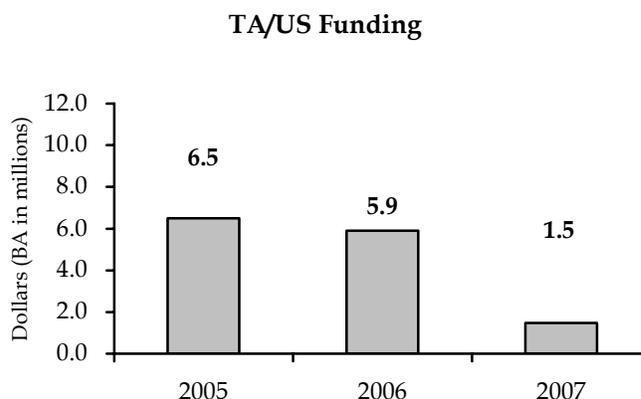
(Dollars in millions)

	2005 <u>Actual</u>	2006 Estimate / <u>Target</u>	2007 Estimate / <u>Target</u>
NIST-Goal 1: Promote innovation, facilitate trade, ensure public safety and security and help create jobs by strengthening the nation's measurement and standards infrastructure	\$621.6	\$763.1	\$701.5
Qualitative assessment and review of technical quality and merit using peer review	Completed	To complete	To complete
Peer reviewed technical publications	1,148	1,100	1,100
Standard reference materials sold	32,163	30,000	30,000
NIST maintained datasets downloaded	93,000,000	80,000,000	80,000,000
Number of calibration tests performed	12,849	12,000	12,000
NIST-Goal 2: Accelerate private investment in and development of high-risk, broad-impact technologies.	\$138.3	\$83.0	\$12.5
Cumulative number of publications	Avail. 5/06	1,760	N/A ²
Cumulative number of patents	Avail. 5/06	1,550	N/A ²
Cumulative number of technologies under commercialization	Avail. 5/06	320	N/A ²
NIST-Goal 3: Raise the productivity and competitiveness of small manufacturers.	\$102.7¹	\$113.2	\$46.7
Number of clients served by MEP centers receiving Federal funding	Avail. 12/06	18,997	TBD
Increased sales attributed to MEP centers receiving Federal funding	Avail. 12/06	\$674 M	TBD
Capital investment attributed to centers receiving Federal funding	Avail. 12/06	\$844 M	TBD
Cost savings attributed to MEP centers receiving Federal funding	Avail. 12/06	\$461 M	TBD
NTIS-Goal: Enhance public access to worldwide scientific and technical information through improved acquisition and dissemination activities.	\$15.9	\$48.7	\$41.0
Number of new items available (annual)	658,138	660,000	665,000
Number of information products disseminated (annual)	26,772,015	27,000,000	27,100,000
Customer satisfaction	98%	95% - 98%	95% - 98%
Total	\$878.5¹	\$1,008.0	\$801.7

1. This dollar amount has been updated as of December, 2005 (after the Performance and Accountability Report for FY 2005).
2. The 2007 Budget proposes to terminate the ATP program.

Under Secretary for Technology

The Under Secretary for Technology (TA/US) provides policy guidance to the Secretary of Commerce and the Technology Administration's component agencies (NIST and NTIS). The Under Secretary serves on the Executive Committee of the Committee on Technology within the President's National Science and Technology Council, coordinates the civilian technology efforts of federal agencies, and helps to shape federal civilian R&D priorities based upon the needs of industry. The Under Secretary also provides counsel to the Secretary of Commerce on all matters affecting innovation and coordinates with counterpart offices in the trade and economic agencies to create unified, integrated trade and technology policies.



Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$6,460	\$5,923	\$1,485	(\$4,438)
FTE				
Salaries and Expenses	27	20	5	(15)
Reimbursable	1	0	0	0
Total	28	20	5	(15)

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>
2006 Appropriation			20	\$5,923
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$63		
2007 Pay raise		54		
Payment to the Working Capital Fund		5		
Civil Service Retirement System(CSRS)		(13)		
Federal Employees' Retirement System(FERS)		31		
Thrift Savings Plan		4		
Federal Insurance Contributions Act (FICA) - OASDI		7		
Health insurance		12		
Travel: Per Diem		1		
Rent payments to GSA		6		
Other services: Working Capital Fund		87		
General pricing level adjustment:				
Other services		13		
Subtotal, other cost changes		<u>270</u>	0	270
Less Amount Absorbed*			<u>0</u>	<u>(270)</u>
TOTAL, ADJUSTMENTS TO BASE			<u>0</u>	<u>0</u>
2007 Base			20	5,923
Program Changes			<u>(15)</u>	<u>(4,438)</u>
2007 APPROPRIATION			5	1,485

*TA/US will absorb \$270,000 of adjustments-to-base through reductions in other services.

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Under Secretary for Technology	20	\$5,923	20	\$5,923	5	\$1,485	(15)	(\$4,438)
TOTAL DIRECT OBLIGATIONS	20	5,923	20	5,923	5	1,485	(15)	(4,438)
REIMBURSABLE OBLIGATIONS	0	125	0	125	0	125	0	0
TOTAL OBLIGATIONS	20	6,048	20	6,048	5	1,610	(15)	(4,438)
FINANCING								
Offsetting collections from:								
Federal funds	0	(125)			0	(125)		
TOTAL BUDGET AUTHORITY	20	5,923			5	1,485		

Comparison by Activity

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Under Secretary for Technology	20	\$5,923	-15	-\$4,438

Base Reduction: A decrease is requested for TA/US, which will streamline its administrative and policy operations and achieve cost savings. TA/US will continue in its analysis and policy development roles.

National Institute of Standards and Technology

The National Institute of Standards and Technology (NIST) is responsible for promoting U.S. innovation and industrial competitions by advancing measurement science, standards, and technology in ways that enhance economic security, and improve our quality of life. NIST carries out this mission through the following programs.

The **NIST Laboratories** research program focuses on providing the measurements, standards, verified data, and test methods necessary to support the development of new technologies and to promote the competitive standing of the U.S. in the global economy. The world-class scientific and technical staff works closely with private industry, academic researchers, and other government agencies.

The Hollings Manufacturing Extension Partnership (HMEP)

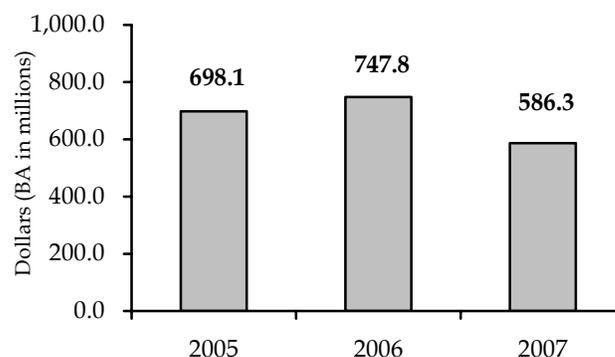
Program assists small manufacturing establishments in assimilating new technologies and manufacturing practices through government-industry partnerships and extension services.

The **Baldrige National Quality Program (BNQP)** is a highly visible quality management program focused on instilling the principles of continuous quality improvement in U.S. businesses and educational, health care, and non-profit organizations.

In addition, NIST has initiated a long-term program to upgrade and maintain its lab facilities in two main campuses in Gaithersburg, Maryland and Boulder, Colorado. Upgrades to these facilities, which are 35 to 45 years old, is required to support NIST research in the 21st century.

Through 2006, NIST also implemented the Advanced Technology Program to assist industry to invest in and develop high-risk technologies. The 2007 Budget proposes to terminate this program, due to the growth of venture capital and other financing sources.

NIST Funding



Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase (Decrease)
Scientific and Technical Research and Services	\$378,764	\$394,762	\$467,002	\$72,240
Industrial Technology Services	247,943	183,624	46,332	(137,292)
Construction of Research Facilities	72,518	173,651	67,998	(105,653)
Total Appropriation	699,225	752,037	581,332	(170,705)
Transfers of funds from Election Assistance Commission, STRS	2,778	2,772	4,950	2,178
Unobligated balance, rescission, STRS	0	0	0	0
Unobligated balance, rescission, ITS	(3,900)	(7,000)	0	7,000
Working Capital Fund, STRS	[2,900]	[1,300]	[9,450]	[8,150]

Budget Authority

Scientific and Technical Research and Services	381,542	397,534	471,952	74,418
Industrial Technology Services	244,043	176,624	46,332	(130,292)
Construction of Research Facilities	72,518	173,651	67,998	(105,653)
TOTAL, BUDGET AUTHORITY	698,103	747,809	586,282	(161,527)

FTE

Scientific and Technical Research and Services	1,775	1,909	2,038	129
Industrial Technology Services	276	217	107	(110)
Construction of Research Facilities	42	58	60	2
Working Capital Fund	660	726	764	38
Total	2,753	2,910	2,969	59

Highlights of Budget Changes

Appropriation: Scientific and Technical Research and Services

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			1,909	\$394,762
Adjustments to Base				
<u>Adjustments</u>				
Restoration of FY 2006 Deobligation Offset		\$1,000		
Less FY 2006 nuclear waste disposal		(429)		
Less FY 2006 unrequested projects		(11,888)		
Subtotal, adjustments			0	(11,317)
<u>Other Changes</u>				
2006 Pay raise		2,761		
2007 Pay raise		3,226		
Payment to the Working Capital Fund		56		
Full year cost in FY 2007 of positions financed for part year in FY 2006	5	0		
Civil Service Retirement System (CSRS)		(322)		
Federal Employees' Retirement System (FERS)		1,147		
Thrift Savings Plan		92		
Federal Insurance Contributions Act (FICA) -OASDI		166		
Health insurance		966		
Employees' Compensation Fund		(59)		
Travel:				
Mileage		2		
Per diem		4		
Rental payments to GSA		1		
Printing and reproduction		9		
Other services:				
Working Capital Fund		(2)		
Commerce Business System		1,531		
NARA		15		
Washington Gas rate increase		905		
Supplies and materials: Scientific journal subscriptions		108		
General pricing level adjustment:				
Transportation of things		15		
Rental payments to others		54		
Communications, utilities, & miscellaneous charges		248		
Other services		761		
Supplies and materials		336		
Equipment		537		
Subtotal, other cost changes		12,557	5	12,557
Less Amount absorbed			0	0
TOTAL, ADJUSTMENTS TO BASE			5	1,240
2007 Base			1,914	396,002
Program Changes			124	72,000
TOTAL REQUIREMENTS			2,038	468,002
Recoveries from Prior Year Obligations				(1,000)
2007 APPROPRIATION				467,002

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
NIST Laboratories								
Laboratories and technical programs								
Electronics & electrical engineering	258	\$49,515	258	\$50,819	258	\$50,819	0	\$0
Manufacturing engineering	111	22,362	111	22,481	115	24,481	4	2,000
Chemical science & technology	236	44,658	236	46,276	244	49,726	8	3,450
Physics	172	42,210	173	43,618	215	60,118	42	16,500
Materials science & engineering	172	33,110	172	33,961	177	38,961	5	5,000
Building & fire research	119	22,270	119	22,438	122	24,438	3	2,000
Computer science & applied math.	347	66,678	347	65,836	359	74,786	12	8,950
Standards & technology services	94	17,329	94	16,501	99	18,501	5	2,000
Innovations in Measurement Science	80	16,232	80	16,090	82	16,890	2	800
Postdoctoral fellowship program	92	11,511	92	10,937	92	10,937	0	0
Computer support	5	7,014	5	6,791	5	6,791	0	0
Business systems	31	10,524	31	12,191	31	12,191	0	0
Research support external projects	0	11,888	0	0	0	0	0	0
Subtotal, Labs & technical programs	1,717	355,301	1,718	347,939	1,799	388,639	81	40,700
National research facilities								
NIST center for neutron research	125	28,617	125	28,727	134	38,727	9	10,000
Center for nanoscale science and technology	20	11,154	22	11,561	56	28,561	34	17,000
Subtotal, National research facilities	145	39,771	147	40,288	190	67,288	43	27,000
Subtotal, NIST laboratories	1,862	395,072	1,865	388,227	1,989	455,927	124	67,700
Baldrige National Quality Program	47	7,354	49	7,575	49	7,575	0	0
TOTAL DIRECT OBLIGATIONS	1,909	402,426	1,914	395,802	2,038	463,502	124	67,700
FINANCING								
Unobligated balance, start of year	0	(5,192)	0	0	0	0	0	0
Recovery of prior year obligations	0	(1,000)	0	(1,000)	0	(1,000)	0	0
Subtotal, financing	0	(6,192)	0	(1,000)	0	(1,000)	0	0
TOTAL BUDGET AUTHORITY	1,909	396,234	1,914	394,802	2,038	462,502	124	67,700
Unobligated balance, rescission		0		0		0		0
Transfers from EAC		(2,772)		0		(4,950)		(4,950)
Transfers	0	1,300	0	200	0	9,450	0	9,250
TOTAL APPROPRIATION	1,909	394,762	1,914	395,002	2,038	467,002	124	72,000

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>NIST Laboratories</u>	1,718	\$347,363	+81	+\$42,000
<u>National Research Facilities</u>	147	\$40,076	+43	+\$30,000

As a component of the President's 10-year American Competitiveness Initiative, an increase (+124 FTE, +\$72,000) is requested for **Physical Science to Enable Innovation: A Measurement Science and Standards Initiative**.

Technological innovation drives the Nation's economic growth and sustains our competitiveness in world markets. According to the Report of the National Innovation Initiative, Council on Competitiveness, December 2004, "Innovation will be the single most important factor in determining America's success through the 21st century." A 2005 National Academy of Sciences report, *Rising Above The Gathering Storm: Energizing and Employing America for a Brighter Economic Future*, states, "Economic studies conducted before the information-technology revolution have shown that even then as much as 85% of measured growth in U.S. income per capita is due to technological change." New technologies require a sophisticated set of supporting tools to succeed. These tools include knowledgeable people with easy access to key information, measurement science, and production technologies. NIST plays a fundamental role in ensuring access to this innovation toolset.

Of the \$72,000 increase requested, a transfer of \$9,250 will be made to the NIST Working Capital Fund, for a total transfer of \$9,450.

Initiative Components

Enabling Nanotechnology from Discovery to Manufacture (+34 FTE, +\$20,000)

The United States faces dramatic changes in manufacturing, with nanoscale manufacturing expected to be a dominant contributor to our Gross Domestic Product in the 21st century. The commercial development of new nanotechnologies depends critically on the rapid development of innovative nanoscale manufacturing and measurement methods. NIST will develop and make available the world's most advanced nanoscale measurement and fabrication methods to partners from industry, universities, and other government agencies through the Center for Nanoscale Science and Technology (CNST). Furthermore, NIST will establish the materials and process characterization, including development of reference materials and reference data, to enable scaled-up, reliable, and cost-effective manufacturing of nanoscale materials, structures, devices, and systems.

NIST Center for Neutron Research (NCNR) Expansion and Reliability Improvements: A National Need (+9 FTE, +\$10,000)

Neutron research is critical for innovative, high impact sectors employing advanced materials (e.g., superconductors, nanostructured materials, biomaterials, microelectronics, hydrogen fuel cells and storage materials). However, facilities for neutron research in the U.S. are seriously oversubscribed. NIST will expand and improve the NCNR by developing better hydrogen cold source and optical systems to deliver more neutrons to the instruments; developing a neutron scattering instrument to enable new, more sensitive, higher spatial resolution analytical tools; and improving reactor reliability to maintain and replace aging (40 year old) control systems. An additional \$12 million is requested in the Construction of Research Facilities account to undertake the NCNR expansion.

Enabling the Hydrogen Economy (+25 FTE, +\$10,000)

NIST research will enable more powerful, efficient, and durable fuel-cell designs and high-volume manufacturing through the development of measurement tools, material characterization, theory, and models that allow real-time diagnostics of hydrogen fuel cell performance; ensure accurate measures of hydrogen at points of sale; and ensure safer storage, distribution, and delivery of hydrogen in the marketplace.

Manufacturing Innovation through Supply Chain Integration (+4 FTE, +\$2,000)

The inefficient exchange of product design and business data in manufacturing and construction costs the U.S. economy in excess of \$25 billion per year. This initiative will advance industry towards a seamless global supply chain – shortening design-to-manufacturing cycle, improving product quality, and lowering costs. NIST will develop standards,

measurements, and testing tools that are fundamental to enabling efficient supply chains, maintaining competitiveness, and increasing innovation.

Quantum Information Science - Infrastructure for 21st Century Innovation (+17 FTE, +\$9,000)

This initiative is comprised of two complementary efforts aimed at accelerating the development of quantum information science: 1) an expanded in-house program to develop the measurement science, standards, and technology for quantum information science and 2) establishment of the Joint Quantum Institute, a strategic partnership between NIST, a university, and the National Security Agency, to leverage the strengths of these organizations. These efforts will help to secure America's lead in quantum information science by training the Nation's next generation of quantum science innovators, converting fundamental knowledge into technology, and ensuring U.S. leadership in developing a revolutionary new technology. Advances in quantum information science will enable unbreakable encryption for verifiably secure electronic financial transactions and exchange of secure information, as well as provide a new computing paradigm with vastly greater computing power.

Structural Safety in Hurricanes, Fires, and Earthquakes: Environmental Security for the Nation (+3 FTE, +\$2,000)

This initiative will enable a reduction in the risk of losses from extreme natural events by developing: (1) the technical tools required to enable innovations in multi-hazard risk assessment and mitigation technologies, and (2) the scientific basis to improve the codes and standards used in the design, construction, and retrofit of buildings and physical infrastructure.

Synchrotron Measurement Science and Technology Enabling Next Generation Materials Innovation (+5 FTE, +\$5,000)

This initiative leverages NIST's expertise in measurement science with the unique capabilities of the National Synchrotron Light Source (NSLS) at Brookhaven National Laboratory. A NIST Center for Synchrotron Measurement Science and Technology will be created at the NSLS to provide state-of-the-art measurement tools for characterizing the chemical and structural state of materials and devices through close collaborations with researchers from industry, academia, and other government agencies.

International Standards and Innovation: Opening Markets for American Workers and Exporters (+5 FTE, +\$2,000)

Within the industry-led U.S. voluntary standards system, NIST will assume a more proactive role as convener, facilitator, and catalyst in ensuring that the necessary underpinnings for product and process standards are in place to support full U.S. participation in global markets. This initiative will support U.S. competitiveness and innovation by ensuring that U.S. businesses are equipped to satisfy standards-related requirements in key export markets in Asia and the Americas.

Innovations in Measurement Science (+2 FTE, +\$4,000)

The NIST Innovations in Measurement Science Program is one of NIST's primary mechanisms for keeping pace with the measurement requirements needed for innovation in U.S. industry. This program is used to advance NIST's capabilities in the core measurement science areas underpinning technology innovation. Just as industry must innovate to survive in a competitive environment, NIST must develop innovative approaches to measurement challenges. NIST uses this program to anticipate industry needs and develop the measurement science needed by the next generation of technology.

BioImaging: A Measurement Science and Standards Toolbox for 21st Century Medical Technology (+8 FTE, +\$4,000)

Measurement science and standards are needed to drive innovation in imaging systems, enabling the change from observation to quantitative diagnosis and noninvasive treatment tools reducing the need for biopsies and other invasive procedures. This requires an interdisciplinary approach marrying the physical, biological, and information sciences. Partnering with the National Institutes of Health (NIH) and the bioimaging industry, NIST will utilize its expertise in the physical and information sciences to provide the necessary measurements and standards to pave the way for innovative diagnostics.

Cyber Security: Innovative Technologies for National and Public Security (+9 FTE, +\$2,000)

Today, there are no known methods for measuring the security of a given system. Without the necessary metrics and measurement technologies, we lack the ability to determine whether our efforts at securing the Nation's infrastructure are achieving the desired result. NIST will collaborate with industry and academia to develop metrics and measurement techniques for characterizing known and unknown vulnerabilities. Together with tools to predict expected behavior, these methodologies will provide mechanisms to assign security confidence levels, to measure improvements in the overall security of a system, and to identify and mitigate would-be attackers.

Biometrics: Identifying Friend or Foe? (+3 FTE, +\$2,000)

Enhanced biometric systems, with the associated test and evaluation infrastructures, have been identified as a presidential research and development priority to further reduce vulnerabilities in protecting the homeland. DHS, FBI, and the State Department (US-VISIT) currently partner with NIST to draw on and leverage NIST's long experience and expertise in measurement science and standards in biometric technologies. NIST will develop measurements and standards to support testing and evaluation of enhanced biometric systems including approaches using multiple modes of identification.

STRS Initiative Name	Manufacturing Engineering	Chemical Science and Technology	Materials Science and Engineering	Physics	Building & Fire Research	Computer Science and Applied Math	Innovations in Measurement Science	Standards & Technology Services	National Research Science	Working Capital Fund
Enabling Nanotechnology from Discovery to Manufacture									17,000	3,000
NCNR Expansion and Engineering Reliability Improvements									10,000	
Enabling the Hydrogen Economy			8,500							1,500
Manufacturing Innovation through Supply Chain Integration	2,000									
Quantum Information Science - Infrastructure for 21st Century Innovation			8,000							1,000
Structural Safety in Hurricanes, Fires, & Earthquakes: Environmental Security for the Nation					2,000					
Synchrotron Measurement Science and Technology Enabling Next Generation Materials Innovation				5,000						
International Standards and Innovation: Opening Markets for American Workers and Exporters								2,000		
Innovations in Measurement Science									800	3,200
BioImaging - A 21st Century Toolbox for Medical Technologies		3,450								550
Cybersecurity: Innovative Technologies for National Security						2,000				
Biometrics: Identifying Friend or Foe?						2,000				
STRS Total	2,000	3,450	16,500	5,000	2,000	4,000	2,000	800	27,000	9,250

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>
2006 Appropriation			217	\$183,624
FY 2006 unobligated balance rescission				(7,000)
Adjustments to Base				
<u>Adjustments</u>				
Restoration of FY 2006 Deobligation Offset		\$3,800		
Balance from prior year		8,744		
Restoration of FY 2006 unobligated balance rescission		7,000		
Subtotal, adjustments			0	19,544
<u>Other Changes</u>				
2006 Pay raise		0		
2007 Pay raise		114		
Payment to the Working Capital Fund		11		
Full year cost in FY 2007 of positions financed for part year in FY 2006	(24)	0		
Civil Service Retirement System (CSRS)		(11)		
Federal Employees' Retirement System (FERS)		40		
Thrift Savings Plan		3		
Federal Insurance Contributions Act (FICA) -OASDI		6		
Health insurance		30		
Employees' Compensation Fund		(28)		
MEP Center salaries		450		
Other services:				
Working Capital Fund		(1)		
Washington Gas rate increase		16		
General pricing level adjustment:				
Rental payments to others		3		
Communications, utilities, & miscellaneous charges		12		
Other services		90		
Supplies and materials		5		
Equipment		6		
Subtotal, other cost changes		746	(24)	746
Less Amount absorbed			0	(746)
TOTAL, ADJUSTMENTS TO BASE			(24)	19,544
2007 Base			193	196,168
Program Changes			(86)	(137,292)
TOTAL REQUIREMENTS			107	58,876
Recoveries from Prior Year Obligations			107	(3,800)
Unobligated balance carried forward			0	(8,744)
2007 APPROPRIATION			107	46,332

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Advanced Technology Program	153	\$82,961	129	\$91,522	61	\$12,544	(68)	(\$78,978)
Hollings Manufacturing Extension Partnership Program	64	112,686	64	104,646	46	46,332	(18)	(58,314)
TOTAL DIRECT OBLIGATIONS	217	195,647	193	196,168	107	58,876	(86)	(137,292)
FINANCING								
Unobligated balance, start of year		(29,598)		0		(14,375)		
Recovery of prior obligations		(3,800)		(3,800)		(3,800)		
Unobligated balance, end of year		<u>14,375</u>		<u>(8,744)</u>		<u>5,631</u>		
Subtotal, financing		(19,023)		(12,544)		(12,544)		
TOTAL BUDGET AUTHORITY	217	176,624	193	183,624	107	46,332		
Unobligated balance, rescission		7,000				0		
TOTAL APPROPRIATION	217	183,624	193	183,624	107	46,332		

Highlights of Program Changes

	Base		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Advanced Technology Program</u>	129	\$91,522	-68	-\$78,978

A decrease is requested. Given the growth of venture capital and other financing sources for high-risk technologies, the 2007 Budget proposes to terminate the Advanced Technology program. The FY 2006 Appropriations were sufficient to phase out the program. No FY 2007 funds are requested. FY 2007 phase out activities will be undertaken with FY 2006 carryover funding.

<u>Hollings Manufacturing Extension Partnership</u>	64	\$104,646	-18	-\$58,314
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A decrease is requested. The Administration proposes to fund the program at \$46.3 million, a 50 percent reduction from the FY 2006 grant level. At this level, the Administration will focus funding on maintaining an effective network of centers with an emphasis on activities that promote innovation and competitiveness in small manufacturers. NIST will absorb \$296,000 of adjustments-to-base in the HMEP Program through reductions in other services. An additional \$450,000 in grants for MEP center salary increases will not be awarded.

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>
2006 Appropriation			58	\$173,651
Adjustments to Base				
<u>Adjustments</u>				
Adjustment for FY 2006 Boulder construction		(\$13,229)		
Less FY 2006 unrequested projects		(125,378)		
Subtotal, adjustments			0	(138,607)
<u>Other Changes</u>				
2006 Pay raise		61		
2007 Pay raise		68		
Full year cost in FY 2007 of positions financed for part year in FY 2006	2	0		
Civil Service Retirement System (CSRS)		(7)		
Federal Employees' Retirement System (FERS)		24		
Thrift Savings Plan		2		
Federal Insurance Contributions Act (FICA) -OASDI		4		
Health insurance		22		
Employees' Compensation Fund		(1)		
General pricing level adjustment:				
Transportation of things		1		
Communications, utilities, & miscellaneous charges		1		
Other services		646		
Supplies and materials		31		
Equipment		2		
Subtotal, other cost changes			2	854
Less Amount Absorbed				0
TOTAL, ADJUSTMENTS TO BASE			2	(137,753)
2007 Base			60	35,898
Program Changes			0	32,100
2007 APPROPRIATION			60	67,998

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Construction & Major Renovations	58	\$177,069	60	\$35,898	60	\$67,998	0	\$32,100
TOTAL DIRECT OBLIGATIONS	58	177,069	60	35,898	60	67,998	0	32,100
FINANCING								
Unobligated balance, start of year		(3,418)				0		
Unobligated balance, end of year		0				0		
Subtotal, financing		(3,418)				0		
TOTAL BUDGET AUTHORITY	58	173,651			60	67,998		
Transfer to Working Capital Fund		0				0		
TOTAL, APPROPRIATION	58	173,651			60	67,998		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Construction and major renovations</u>	60	\$35,898	0	\$32,100

As part of the President's 10 year American Competitiveness Initiative, an increase (0 FTE, +\$20,100) is requested in support of the **NIST Facilities Improvement Plan (FIP)** for critical construction, major repair, and renovation projects at the NIST sites in Boulder, Colorado, and Gaithersburg, Maryland. Projects for the Boulder site, in 2007, include: (1) the first phase of design for the renovation of Building 1, originally constructed in 1954 (+\$6,300); and (2) the design and limited renovation of Building 4, originally temporary construction space during NIST Boulder's construction (+\$3,800). The request for safety, capacity, maintenance, and major repairs (SCMMR) funding (+\$10,000) will help NIST to ensure the safety, effectiveness, and productivity of facilities and staff at the NIST sites – all efforts to reduce long-term facilities costs and protect NIST staff and visitors.

An increase (0 FTE, +\$12,000) is requested in support of construction and major renovations for NIST Center for Neutron Research (NCNR) Expansion and Reliability Improvements.

Appropriation: Working Capital Fund

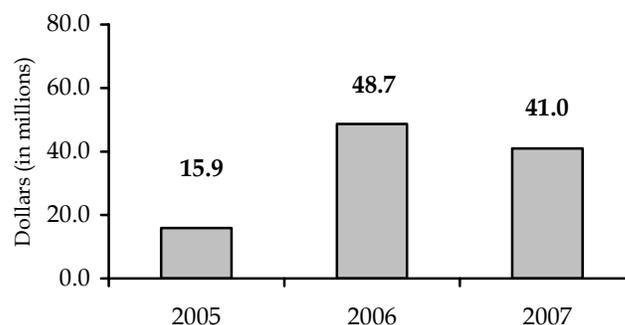
Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Direct Obligations		\$1,300		\$200		\$9,450	0	\$9,250
Reimbursable Obligations	726	177,573	726	159,279	764	159,279	38	0
WCF Investments		(670)		0		0	0	0
TOTAL OBLIGATIONS	726	178,203	726	159,479	764	168,729	38	9,250
FINANCING								
Unobligated balance, start of year		(154,725)		(94,605)		(94,605)		0
Unobligated balance, end of year		94,605		59,226		59,226		0
Offsetting collections from:								
Federal funds		(80,415)		(85,481)		(85,481)		0
Non-Federal sources		(36,368)		(38,419)		(38,419)		0
Subtotal, financing	0	(176,903)	0	(159,279)	0	(159,279)	0	0
TOTAL BUDGET AUTHORITY	726	1,300	726	200	764	9,450	38	9,250
TRANSFERS								
From other accounts		(1,300)		(200)		(9,450)		(9,250)
TOTAL, APPROPRIATION	726	0	726	0	764	0	38	0

National Technical Information Service

The National Technical Information Service (NTIS), a component of the Technology Administration, collects and preserves scientific, technical, engineering and other business-related information from Federal and international sources and disseminates it to the American business and industrial research community. NTIS operates a revolving fund for the payment of all expenses incurred.

NTIS Total Obligations



Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase (Decrease)
NTIS Revolving Fund	\$0	\$0	\$0	\$0
FTE				
Reimbursable	157	200	200	0

Highlights of Budget Changes

Appropriation: Salaries and Expenses

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Enacted	200	\$0
Adjustments to Base	0	0
2007 Base	200	0
Program Changes	0	0
2007 APPROPRIATION	200	0

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
National Technical Information Service	0	\$0	0	\$0	0	\$0	0	\$0
TOTAL DIRECT OBLIGATIONS	0	0	0	0	0	0	0	0
REIMBURSABLE OBLIGATIONS	200	48,718	200	41,000	200	41,000	0	0
TOTAL OBLIGATIONS	200	48,718	200	41,000	200	41,000	0	0
FINANCING								
Unobligated balance, start of year		(8,218)						
Offsetting collections from:								
Federal funds		(10,000)		(10,250)		(10,250)		0
Non-Federal sources		(30,500)		(30,750)		(30,750)		0
Subtotal, financing	0	(48,718)	0	(41,000)	0	(41,000)	0	0
TOTAL BUDGET AUTHORITY	200	0	200	0	200	0	0	0

National Telecommunications and Information Administration

The National Telecommunications and Information Administration (NTIA) is responsible for the development of domestic and international telecommunications and information policy for the Executive Branch, for ensuring the efficient and effective management and use of the Federal radio spectrum, and for performing state-of-the-art telecommunications research, engineering, and planning.

The **Salaries and Expenses** budget includes funding to maintain ongoing programs for domestic and international policy development, federal spectrum management, and related research.

The **Information Infrastructure Grants** program was terminated in FY 2005. NTIA will also discontinue the **Public Telecommunications Facilities, Planning, and Construction (PTFPC)** program in FY 2007, as funds are available for these activities from other sources. Any previously appropriated funds that may be available in FY 2007 will be used to administer prior year grants.

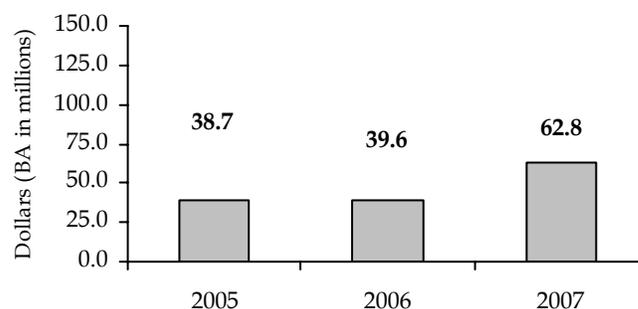
Digital Television Transition and Public Safety Fund (DTTPSF): The Fund, created by the Deficit Reduction Act of 2005, receives offsetting receipts from the auction of electromagnetic spectrum recovered from discontinued analog television signals, and provides funding for several programs from these receipts. The Act specifies that recovered spectrum not dedicated to public safety use will be auctioned by the Federal Communications Commission in 2008 and identifies the distribution of revenue. Receipts exceeding amounts specified for authorized programs will be returned to the general fund of the Treasury. The Act also provides borrowing authority to the Department of Commerce to commence specified programs prior to the availability of auction receipts. Amounts borrowed from the Treasury will be returned without interest upon the availability of auction revenue.

The fund will support the following programs at Commerce:

- Digital-to-Analog Converter Box Voucher Program
- Public Safety Interoperable Communications Grants
- New York City 9/11 Digital Transition
- Assistance to Low-Power Television Stations
- National Alert and Tsunami Warning Program
- Enhanced 9-1-1 Service Support
- Essential Air Service

Three programs will have funds available through borrowing authority in FY 2007: Digital-to-Analog Converter Box Vouchers, Public Safety Interoperable Communications Grants and New York City 9/11 Digital Transition. The other four programs, Assistance to Low-Power Television Stations, National Alert and Tsunami Warning, Enhanced 9-1-1 Service Support, and Essential Air Service, although authorized by the Deficit Reduction Act, will not receive funding until auction receipts become available.

NTIA Funding



Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$17,200	\$17,837	\$17,837	\$0
Public Telecommunications Facilities, Planning & Construction	21,478	21,719	0	(21,719)
Information Infrastructure Grants	0	0	0	0
Total APPROPRIATION	38,678	39,556	17,837	(21,719)
Mandatory Budget Authority				
Digital Television Transition and Public Safety Fund	0	0	45,000	45,000
TOTAL BUDGET AUTHORITY	38,678	39,556	62,837	23,281
FTE				
Salaries and Expenses - Direct	98	103	103	0
Salaries and Expenses - Reimbursable	138	155	155	0
Public Telecommunications Facilities, Planning & Construction	10	13	0	(13)
Information Infrastructure Grants	13	0	0	0
Digital Television Transition and Public Safety Fund	0	0	22	22
Total	259	271	280	9

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>
2006 Appropriation			103	\$17,837
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$178		
2007 Pay raise		208		
Payment to Working Capital Fund		23		
Civil Service Retirement System(CSRS)		(9)		
Federal Employees' Retirement System(FERS)		55		
Thrift Savings Plan		3		
Federal Insurance Contributions Act (FICA) -OASDI		4		
Health insurance		46		
Employee Compensation Plan		111		
Rent payments to GSA		19		
Travel: Mileage		1		
GPO Printing		1		
Other services: Working Capital Fund		335		
NARA		1		
General Pricing Level Adjustment:				
Communications, utilities and misc. charges		1		
Other services		29		
Supplies and materials		4		
Equipment		11		
Subtotal, other cost changes			0	1,021
Less Amount Absorbed *				(1,021)
TOTAL, ADJUSTMENTS TO BASE			0	0
2007 Base			103	17,837
Program Changes			0	0
2007 APPROPRIATION			103	17,837

* NTIA will absorb \$1.0 million of the ATBs through reductions in travel, supplies, contracts, and through hiring adjustments.

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Domestic & International Policies	26	\$4,915	26	\$4,589	26	\$4,589	0	\$0
Spectrum Management	32	7,101	32	6,766	32	6,766	0	0
Telecommunication Sciences Res.	45	6,482	45	6,482	45	6,482	0	0
TOTAL DIRECT OBLIGATIONS	103	18,498	103	17,837	103	17,837	0	0
REIMBURSABLE OBLIGATIONS	155	58,876	155	35,164	155	35,164	0	0
TOTAL OBLIGATIONS	258	77,374	258	53,001	258	53,001	0	0
FINANCING								
Unobligated balance, start of year (Direct)		(661)						
Unobligated balance, start of year (Reimbursable)		(24,010)						
Offsetting collections from:								
Federal funds	(152)	(34,366)			(152)	(34,664)		
Non-Federal sources	(3)	(500)			(3)	(500)		
Subtotal, financing	(155)	(59,537)			(155)	(35,164)		
TOTAL BUDGET AUTHORITY / APPROPRIATION	103	17,837			103	17,837		

Appropriation: Public Telecommunications Facilities, Planning and Construction*Summary of Requirements*

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			13	\$21,719
2007 Base			13	21,719
Program Changes			(13)	(21,719)
2007 APPROPRIATION			0	0

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Grants	0	\$20,383	0	\$19,745	0	\$0	0	(\$19,745)
Program Management	13	2,362	13	1,974	0	0	(13)	(1,974)
TOTAL DIRECT OBLIGATIONS	13	22,745	13	21,719	0	0	(13)	(21,719)
FINANCING								
Unobligated balance, start of year	0	(1,026)			0	0		
TOTAL BUDGET AUTHORITY/ APPROPRIATION	13	21,719			0	0		

Highlights of Program Changes

	<u>FTE</u>	<u>Base Amount</u>	<u>Increase / Decrease</u>	
			<u>FTE</u>	<u>Amount</u>
Public Telecommunications Facilities Planning & Construction (PTFPC)	13	\$21,719	-13	-\$21,719

PTFPC grant awards are being terminated in 2007. Recoveries and unobligated balances of funds previously appropriated to this account are hereafter to be available for the administration of prior year grants. Since 2000, almost 70 percent of PTFPC awards have supported public television stations' conversion to digital broadcasting. Funding for digital conversion and other activities is available from other sources.

Appropriation: Information Infrastructure Grants

Summary of Requirements

	<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>
2006 Appropriation	0	\$0
Adjustments to Base	0	0
2007 Base	<u>0</u>	<u>0</u>
Program Changes	0	0
2007 APPROPRIATION	<u>0</u>	<u>0</u>

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Technology Opportunity Program								
Grants	0	\$0	0	\$0	0	\$0	0	\$0
Program Management	0	1,053	0	0	0	0	0	0
TOTAL DIRECT OBLIGATIONS	<u>0</u>	<u>1,053</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FINANCING								
Unobligated balance, start of year	0	(1,053)			0	0		
TOTAL BUDGET AUTHORITY / APPROPRIATION	<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>		

Appropriation: Digital Television Transition and Public Safety Fund*Comparison by Activity*

	2006 Currently Avail.		2007 Base		2007 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>
DIRECT OBLIGATIONS								
Digital to Analog Converter Box Program	0	0	0	0	10	\$15,000	10	\$15,000
Public Safety Interoperable Communications Program	0	0	0	0	10	15,000	10	15,000
NYC 9/11 Digital Transition Program	0	0	0	0	2	15,000	2	15,000
TOTAL DIRECT OBLIGATIONS	0	0	0	0	22	45,000	22	45,000
FINANCING								
Unobligated balance, start of year	0	0			0	0		
TOTAL MANDATORY BUDGET AUTHORITY (BORROWING AUTHORITY)	0	0			22	45,000		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Digital-to-Analog Converter Box Program	0	0	10	\$15,000

The program will assist consumers during the transition from analog to digital television. Coupons will be provided upon request, to a maximum of two per household, to be used to offset the cost of digital-to-analog television converter boxes. Coupons may be requested between January 1, 2008 and March 31, 2009, and will expire three months after issuance.

Public Safety Interoperable Communications	0	0	10	\$15,000
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Grants will be provided to public safety agencies to assist efforts to make their communications systems capable of sharing voice and data signals on the radio spectrum. Public safety agencies are required to provide from non-Federal sources no less than twenty percent of the costs of acquiring and deploying the interoperable communications systems funded under this program.

New York City 9/11 Digital Transition	0	0	2	\$15,000
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Assistance will be provided to the Metropolitan Television Alliance of New York City for the design and deployment of a temporary digital television broadcast system until a permanent facility atop the planned Freedom Tower is constructed.

NTIA Performance Measures

NTIA's strategic planning process is designed to improve the management and effectiveness of the agency and continue to address impediments to the development of innovative telecommunications services by the private sector. NTIA's spectrum management and research activities promote innovative technologies and uses of spectrum resources for affordable, alternative communications services. Facilitating broadband deployment in the marketplace is also a major focus of NTIA's efforts. This promising technology has the potential to revolutionize e-commerce, educational opportunities, and health care. NTIA has re-examined their performance goals and measures to reflect more outcome-oriented goals by reducing their goals from 3 to 2. The following table shows the measures that NTIA uses to gauge its performance. A more detailed description of these goals and measures is in the NTIA section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2005 <u>Actual</u>	2006 Estimate / <u>Target</u>	2007 Estimate / <u>Target</u> ¹
Goal 1: Ensure that the allocation of radio spectrum provides the greatest benefit to all people	\$30.4	\$45.9	\$39.1
Frequency Assignment Processing Time	8.2 business days	<9 Business Days	<9 Business Days
Certification Request Processing Time	<6 months	<4 months	<3 months
Space System Coordination Request Processing	80% in <21 days	80% in <18 days	90% in <18 days
Spectrum Plans and Policies Processing Time	Comments in <15 days	Comments in <15 days	Comments in <15 days
Spectrum Management Improvements	3 milestones	31 milestones	23 milestones
Goal 2: Promote the availability and support new sources of advanced telecommunications and information services	\$39.5	\$55.3	\$13.9
Support new telecom and info technology by advocating Administration views in FCC docket filings and Congressional proceedings	5 docket and proceedings	5 docket and proceedings	5 docket and proceedings
Number of website views for research publications	New	130K/Mo	140K/Mo
Total	\$69.9	\$101.2	\$53.0

1. The Digital Television Transition and Public Safety Fund program has only recently been created for NTIA. Performance measures will be developed as part of the management plan.

Authorizing Legislation Required for 2007

	2007 <u>Request</u>
APPROPRIATION AND ACTIVITY	
<u>International Trade Administration</u>	
Export Promotion, P.L. 103-392, expired 9/30/96	\$349,415
<u>Bureau of Industry and Security</u>	
Export Administration Act of 1979, Reauthorization P.L. 106-508, expired 8/20/01	78,582
<u>National Oceanic and Atmospheric Administration</u>	
<u>Operations, Research and Facilities</u>	
National Marine Fisheries Service	
Endangered Species Act Amendments of 1988 P.L. 100-478, expired 9/30/92	121,790
Marine Mammal Protection Act P.L. 103-238, expired 9/30/99	36,314
Anadromous Fish Conservation Act P.L.107-372, expires 9/30/06	2,805
Interjurisdictional Fisheries Act P.L.107-372, expires 9/30/06	3,159
Magnuson-Stevens Fisheries Conservation Act, P.L. 104-297, expired 9/30/99	337,089
NOAA Marine Fisheries Program Authorization Act, P.L. 104-297, expired 9/30/00	147,831
National Ocean Service	
Coral Reef Conservation Act, P.L.106-562, expired 9/30/04	25,702
Coastal Zone Management Act, P.L. 104-150, expired 9/30/99	92,685
Marine Protection, Research, Preservation & Sanctuaries Act Title II & III, P.L.106-513, expired 9/30/05	35,218
<u>Procurement, Acquisition and Construction</u>	
National Ocean Service	
Marine Protection, Research, Preservation & Sanctuaries Act Title II & III, P.L.106-513, expired 9/30/05	5,495
<u>Pacific Coastal Salmon Recovery</u>	
Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund and Southern Boundary Restoration and Enhancement Fund, P.L.106-553, expired 9/30/03	66,825
Subtotal, NOAA	874,913
<u>Under Secretary / Office of Technology Policy</u>	
American Technology Preeminence Act of 1991, P.L. 102-245, expired 9/30/93	1,485
<u>National Institute of Standards & Technology</u>	
Scientific & Technical Research & Services	465,288
Industrial Technology Services	46,332
Construction of Research Facilities	67,998
American Technology Preeminence Act of 1991, P.L. 102-245, expired 9/30/93	67,998
Subtotal, NIST	579,618

	2007
<u>National Telecommunications and Information Administration</u>	<u>Request</u>
Salaries and Expenses	\$17,837
Telecommunications Authorization Act of 1992, P.L. 102-538, exp 9/30/93	
TOTAL, AUTHORIZATION REQUIRED	<u>1,901,850</u>
PROGRAMS AUTHORIZED	4,235,677
TOTAL, DEPARTMENT OF COMMERCE APPROPRIATIONS	\$6,137,527