

House Science and Technology Subcommittee Clears First Comprehensive NIST Authorization in 15 Years

PRESS RELEASE

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Washington, DC) Today, under the leadership of Chairman David Wu (D-OR), the Science and Technology Subcommittee on Technology and Innovation approved legislation to reauthorize the competitiveness and innovation initiatives of the National Institute of Standards and Technology (NIST).

The subcommittee passage of H.R. 1868, the Technology Innovation and Manufacturing Stimulation Act of 2007, marks the first time Congress has taken a comprehensive look at NIST since 1992. Reauthorizing NIST initiatives is a priority of both Chairman Wu and Committee Democrats and is part of the Democratic Innovation Agenda.

"This legislation ensures that NIST's Nobel-Prize-winning research and successful public-private partnerships will continue to contribute to American innovation and competitiveness," said Chairman Wu. "We are talking about investments in ideas and jobs for people here at home."

The most significant issues surrounding the reauthorization of NIST are the funding levels for laboratory research and the Manufacturing Extension Partnership (MEP) initiative, and improving the Advanced Technology Program. The administration has proposed to cut the Manufacturing Extension Partnership initiative and eliminate the Advanced Technology Program (ATP).

Under the legislation, funding for the laboratory research increases by 8% per year which leads to doubling over a ten-year period. This is consistent with the president's American Competitiveness Initiative.

Funding for MEP also increases by 8% per year and doubles over a ten-year period. MEP is a mix of federal, state, local and private funds to help small and medium manufacturers 'lean' operations to compete more effectively against overseas manufacturers. The goal is not only to maintain manufacturing jobs, but also to create more jobs.

"Both MEP and ATP have been successful private-public partnerships which have contributed to American innovation and competitiveness," Chairman Wu added. "I hope that we can break this cycle where every year the Administration neglects their value, and proposes either eliminating or cutting these two programs, leaving Congress to add the funding back into the federal budget."

Cutting MEP federal funding by more than half, as proposed by the President, would mean that over 8,000 small manufacturing businesses would lose \$650 million in cost savings and \$3 billion in sales. Given MEP's 10-1 return on investment, this means a loss of over \$1 billion to the economy. MEP served 24,722 manufacturers in 2006.

H.R. 1868 also establishes a new program to take the place of the Advanced Technology Program (ATP) called the Technology Innovation Program (TIP). TIP maintains the primary purpose of ATP - to help fill the gap between high-risk innovative research that promises broad benefits and marketable products - but contains several key changes. Under TIP, the requirements for grants to have wide-spread benefits are tightened because of support for small and medium-sized high-tech entrepreneurial

firms; and universities can now fully participate in joint venture projects.

In past Science and Technology Committee hearings on the development of nanotechnology, small businesses and venture capital firms have stated that ATP, or an ATP-like program, is needed to move nanotech to broad commercial applications.

The following amendments were offered and accepted by the subcommittee:

#1 by Chairman Wu and Ranking Member Phil Gingrey (R-GA) - An amendment to make technical corrections.

#2 by Rep. Jim Matheson (D-UT) - An amendment emphasizing the need for technology transfer projects to be included in the Manufacturing Extension Center Competitive Grant Program.

Find a section-by-section breakdown of the bill's provisions [here](#).

BACKGROUND: Founded in 1901, the National Institute of Standards and Technology has developed and promoted measurement, standards and technology to enhance productivity, facilitate trade and improve quality of life. NIST is a non-regulatory federal agency within the U.S. Commerce Department's Technology Administration.