



## DEPARTMENT OF COMMERCE

### Highlights:

- The Department of Commerce (DOC) promotes job creation and economic growth by ensuring fair and secure trade, providing the data necessary to support commerce, securing America's national security and technological leadership through export controls and an effective patent system, and fostering innovation by setting standards and conducting foundational research and development.
- The Budget request for DOC prioritizes and protects investments in core Government functions such as preparing for the 2020 Decennial Census, providing the observational infrastructure and personnel to produce timely and accurate weather forecasts, and enforcing laws that promote fair and secure trade.
- The Budget requests \$9.8 billion for DOC (including changes in mandatory programs), a \$546 million or a 6-percent increase from the 2017 enacted level.

### The President's 2019 Budget:

DOC contributes to U.S. economic growth and prosperity through a broad portfolio of business, data, and science-driven programs that are used by American companies, Government officials, and citizens for decision-making every day. The Budget focuses on supporting these core missions in ways that enhance economic security, national security, and technological leadership, and protect the taxpayer through streamlined and effective implementation.

Accordingly, the Budget provides strong support for high priority, mission-critical programs such as the 2020 Decennial Census, trade enforcement, intellectual property, weather and Earth observations, and spectrum management. In order to adequately fund these priorities, the Budget reduces funding for extramural grants, eliminates duplicative or unnecessary programs, and consolidates others. These choices support American prosperity, the national economy, and the interests of all taxpayers.

**Supports a Fair, Modern, and Accurate 2020 Decennial Census.** The Decennial Census is a constitutional requirement and DOC's highest priority in 2019. The Budget provides \$3.8 billion, an increase of more than \$2.3 billion, for the U.S. Census Bureau. This additional funding prioritizes fundamental investments in information technology and field infrastructure, which would allow the Bureau to continue preparations to conduct a modern, efficient, and accurate 2020 Decennial

Census. An accurate Decennial Census is imperative because of the important role this data plays in shaping the political landscape and informing the policy making process. Most importantly, the Decennial Census governs the apportionment of seats in the House of Representatives allocated to the States. In addition, Census data is used by governmental entities at the State and local levels for defining the representative boundaries for congressional districts, State legislative districts, school districts, and voting precincts. Further, Census data informs the allocation of slightly more than \$675 billion annually in Federal funds to local communities, supporting a wide range of Federal and non-Federal policies, such as homeland security, education, and infrastructure. The Budget’s substantial investment in the 2020 Decennial recognizes the importance of this program.

**Promotes Free and Fair Trade.** The Budget includes an additional \$3 million for the Department’s International Trade Administration (ITA) to expand and enhance the Department’s efforts to level the global playing field for U.S. businesses, and provides slightly more than \$90 million total for ITA’s Enforcement and Compliance unit. This would allow ITA to conduct robust investigations into alleged trade violations, aggressively advocate for U.S. businesses facing tariff and non-tariff barriers abroad, and increase the capacity to closely review proposed foreign investments in U.S. businesses.

## Increasing Trade Enforcement

The Administration has taken strong action to support its commitment to free and fair trade.

Trade Enforcement Activity	2016	2017
Anti-Dumping/Counterbalancing Duty Investigations Initiated	52	 82
Trade Agreement Compliance Cases Resolved Successfully	39	 47
Trade Barriers Reduced, Removed or Prevented	79	 92

Source: DOC

In the first year of the Administration, the Department has already initiated almost 60 percent more anti-dumping and countervailing duty investigations than in the previous year. These investigations are key to stemming the surge of unfairly traded imports from entering the United States. The Department has also increased the number of successfully resolved trade agreement compliance cases by 21 percent and the number of trade barriers reduced, removed, or prevented by 16 percent compared to the previous year, demonstrating a commitment to holding trading partners accountable for their free trade commitments. The additional resources requested in the Budget would continue to support the Administration’s aggressive approach to a global market that allows U.S. businesses to compete fairly.

**Protects Lives and Property.** Advance notice provided by weather forecasts enables the Nation’s leaders, decision makers, and media to provide better warnings and

advisories to first responders, the public, and businesses. Getting this right reduces the catastrophic loss of human life and property and the damaging effects on the national economy. Polar-orbiting satellites are critical to this mission, providing space-based observations that improve the accuracy of weather predictions. In recognition of the value these satellites provide, the Budget includes \$878 million for the National Oceanic and Atmospheric Administration’s (NOAA) polar weather satellites. These funds would allow NOAA to operate satellites currently in orbit and continue the development of its future polar orbiting satellites, reducing the risk of a devastating gap in coverage.

**Advances the Development of Next Generation Communications Technologies.** The Budget continues to support the National Telecommunications and Information Administration (NTIA) in representing the U.S. interest at multi-stakeholder forums on internet governance and digital commerce. The Budget supports the commercial sector's development of next generation wireless services, including 5G and the Internet of Things, by funding NTIA's mission of evaluating and ensuring the most efficient use of spectrum resources by Government users. Ensuring adequate access to scarce spectrum resources by both the commercial and Government sectors is a crucial factor for economic growth and national security.

**Modernizes Support for Minority Owned Businesses.** Minority owned businesses face unique challenges in obtaining the capital and support necessary to start and operate businesses. The Minority Business Development Agency (MBDA) within the Department of Commerce is solely dedicated to addressing these challenges and helping minority businesses thrive. To further this mission, the Budget proposes to reform the operations of MBDA to expand its reach and better help it meet its programmatic objectives. These reforms would eliminate the business outreach centers operated by MBDA, which are duplicative of programs operated by other Federal agencies, but would establish MBDA as a policy office that is positioned to advocate for minority businesses across all Federal programs.

**Eliminates Duplicative and Unnecessary Programs.** American prosperity depends on fiscal restraint to direct funding to the highest priorities. The Budget eliminates the Economic Development Administration, which provides small grants with limited measurable impacts and duplicates other Federal programs, such as Rural Utilities Service grants at the U.S. Department of Agriculture and formula grants to States from the Department of Transportation. By eliminating this Agency, the Budget reduces waste and saves approximately \$300 million from the 2017 enacted level.

The Budget also eliminates Federal funding for the Manufacturing Extension Partnership (MEP) program, which subsidizes up to half the cost of State centers that provide consulting services to small- and medium-sized manufacturers. This proposal saves \$125 million, and directs MEP centers to transition solely to non-Federal revenue sources as originally intended when the program was established.