



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 11, 2007

S. 1650

**Max Cleland Minority Serving Institution Digital and Wireless
Technology Opportunity Act**

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on June 27, 2007*

SUMMARY

S. 1650 would create a new grant program at the Department of Commerce (DOC) for educational institutions that serve minority students. Eligible institutions would use the funds to acquire digital and wireless technologies and to increase instructional capacity in the areas of science, mathematics, and technology. The bill would authorize the appropriation of \$250 million per year over the 2008-2012 period for this program and would require grant recipients to provide matching funds under certain conditions.

Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1650 would cost \$823 million over the 2008-2012 period. CBO estimates that enacting this bill would have no effect on direct spending or revenues.

S. 1650 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would result from complying with conditions of federal assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1650 is shown in the following table. For this estimate, CBO assumes that the bill will be enacted near the end of 2007, that the authorized amounts will be appropriated near the start of the fiscal year, and that outlays will occur at rates similar to other DOC grant programs. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	250	250	250	250	250
Estimated Outlays	30	130	200	228	235

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1650 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would benefit public institutions of higher education by authorizing \$250 million per year, for fiscal years 2008 through 2012, to strengthen their capacity to provide instruction in digital network technologies. Any costs they might incur would result from complying with conditions of federal assistance.

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