**Template – Note 22 TEXT, Funds from Dedicated Collections**

**Applicable to NIST, NOAA, NTIA, and USPTO**

**Each bureau reviews and updates its respective portions.**

**Q4 FY 2023**

**Bureau: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Prepared By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date Prepared: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

*Instruction as to dollar amounts:*

*Enter billions with two decimal places, millions with one decimal place, and thousands with no decimal places. Note: There can be exceptions to this policy when determined beneficial to provide more meaningful – typically, this would be to further extend decimal places for amounts in billions to an additional decimal place to differentiate dollar amounts from each other (in limited circumstances).*

Below is a description of major Funds from Dedicated Collections shown in the tables on this page and the previous pages:

**NIST Portion**

NIST’s ***Wireless Innovation Fund*** was created in order for NIST, in consultation with the Federal Communications Commission (FCC), the Secretary of Homeland Security, and the National Institute of Justice of the U.S. Department of Justice, to conduct research and assist with the development of standards, technologies, and applications to advance wireless public safety communications. The law establishing this program can be found in Section 6303, Public Safety Wireless Communications Research and Development of the Middle Class Tax Relief and Job Creation Act of 2012.

**NOAA Portion**

NOAA’s ***Damage Assessment and Restoration Revolving Fund*** receives monies for the reimbursement of expenses related to oil or hazardous substance spill response activities, or natural resource damages assessment, restoration, rehabilitation, replacement, or acquisition activities conducted by NOAA. The recovered sums by a federal, state, tribal, or foreign trustee for natural resource damages are retained by the trustee and are only used to reimburse or pay costs incurred by the trustee for the damaged natural resources. The law establishing the Damage Assessment and Restoration Revolving Fund can be found in 33 U.S.C. Section 2706, Natural resources.

**NTIA Portion**

NTIA’s ***Digital Television Transition and Public Safety Fund*** made digital television available to every home in America, improved communications between local, state, and federal agencies, allowed smaller television stations to broadcast digital television, and improved how warnings are received when disasters occur. The fund has a Fund Balance with Treasury (asset) balance of $ billion **[OFM will verify data to fund group 5396 HFM SGL 101000G$$]** as of September 30, 2023, of which $ billion is not available for obligation (reduction of budgetary resources) **[OFM will verify data to fund group 5396 HFM SGL 436000$$$]**. The law establishing programs under this fund can be found in the Deficit Reduction Act of 2005, Sections 3001-3014. For FY 2023 budgetary financial information for the Digital Television Transition and Public Safety Fund, see the Combining Schedule of Budgetary Resources by Major Budget Account (unaudited), included in Required Supplementary Information (Unaudited).

NTIA’s ***Network Construction Fund*** and ***First Responder Network Authority Fund*** primarily provide funding at this time for the federal portion of cost contributions toward buildout/continuing enhancement of the Nationwide Public Safety Broadband Network (NPSBN) and for operations of the First Responder Network Authority (FirstNet), an independent authority within NTIA. FirstNet shall ensure the establishment of a nationwide interoperable broadband network to help police, firefighters, emergency medical service professionals, and other public safety officials stay safe and do their jobs. For information about FirstNet’s public-private partnership with AT&T to buildout, deploy, operate, and maintain the NPSBN under a 25-year contract award by FirstNet to AT&T in March 2017, see Note 26, Disclosure Public-Private Partnerships.

The asset Cost Contribution to Buildout/Continuing Enhancement of NPSBN, Net amounted to $ billion and $ billion as of September 30, 2023 and 2022, respectively, which is net of accumulated amortization of $ million and $ million, respectively [**NIST will also submit to OFM the supporting Excel file for SGL 199000N cost and accumulated amortization data, which OFM will review, and OFM will further verify Excel file data to fund group 4358 and fund group 4421 HFM SGL data]**. The Department’s cost contribution to buildout and continuing enhancement of the NPSBN is captured in both the Network Construction Fund (cost contribution to buildout) and in the First Responder Network Authority Fund (cost contribution to continuing enhancement) and includes (a) completed and accepted AT&T contract performance for buildout/continuing enhancement of the NPSBN; and (b) accrued costs for estimated, AT&T contract performance progress that is unbilled as of September 30. See Note 1.N for information regarding the classification of these cost contributions as an asset, and the related amortization of the cost contributions. Cost contributions for continuing enhancement to the NPSBN began in FY 2020, and amortization of certain of these cost contributions began in FY 2021.

**Network Construction Fund**

The Network Construction Fund received transfers in from NTIA’s Public Safety Trust Fund totaling $6.87 billion through FY 2021.

The law establishing the Network Construction Fund can be found under Section 6206, Powers, Duties, and Responsibilities of the First Responder Network Authority of the Middle Class Tax Relief and Job Creation Act of 2012. For FY 2023 budgetary financial information for the Network Construction Fund, see the Combining Schedule of Budgetary Resources by Major Budget Account (unaudited), included in Required Supplementary Information (Unaudited).

**First Responder Network Authority Fund**

FirstNet is authorized to assess and collect fees, and also annually collects exchange revenue (allocated between deferred revenue and earned revenue for proprietary basis of accounting) from AT&T under the terms of its contract with AT&T to buildout, deploy, operate, and maintain the NPSBN. The First Responder Network Authority Fund was established primarily pursuant to Sections 6206 and 6208, Permanent Self-Funding; Duty to Assess and Collect Fees for Network Use of the Middle Class Tax Relief and Job Creation Act of 2012.

NTIA’s ***Public Safety Trust Fund*** was created as a result of Section 6413, *Public Safety Trust Fund* of the Middle Class Tax Relief and Job Creation Act of 2012 (Act). The Act provides funding for specified programs and activities to be derived from the proceeds of FCC auctions of spectrum licenses, to be deposited into the Public Safety Trust Fund.

FCC carries out auctions in accordance with the Act, of which certain earned net auction proceeds (earned auction proceeds less any FCC administrative fees) are transferred from FCC to the Public Safety Trust Fund. A transfer in from FCC becomes a financing source on the *SCNP* when the transfer is received. There are/were not any transfers in of auction proceeds from FCC received in FY 2023 and FY 2022. Transfers in of auction proceeds from FCC totaling $39.82 billion through FY 2021 were previously received.

The Act directs the use of auction proceeds in an order of priority after the repayment of borrowings from Treasury (priority 1). As of September 30, 2023 and 2022 only priority 3 and 8 remain uncompleted and are discussed below:

* The Public Safety Trust Fund also transferred out a total of $6.87 billion to the Network Construction Fund through FY 2021 toward priority 3 of transferring up to $7.00 billion for buildout of the NPSBN.
* Priority 8 specifies that any remaining amounts deposited in the Public Safety Trust Fund shall be deposited in the General Fund of the U.S. government for deficit reduction. The Act further specifies that any amounts remaining in the Public Safety Trust Fund after the end of FY 2022 shall be deposited in the General Fund of the U.S. government for deficit reduction.

For FY 2023 budgetary financial information for the Public Safety Trust Fund, see the *Combining Schedule of Budgetary Resources by Major Budget Account* (unaudited) included in *Required Supplementary Information (Unaudited)*.

**USPTO Portion**

USPTO’s ***Funds from Dedicated Collections*** consist of its Salaries and Expenses Fund, Patent and Trademark Surcharge Fund, and Patent and Trademark Fee Reserve Fund.

The Salaries and Expenses Fund contains monies used for the administering of the laws relevant to patents and trademarks and advising the Secretary of Commerce, the President of the United States, and the Administration on patent, trademark, and copyright protection, and trade-related aspects of intellectual property. This fund is used for USPTO’s three core business activities—granting patents; registering trademarks; and intellectual property policy, protection, and enforcement—that promote the use of intellectual property rights as a means of achieving economic prosperity. These activities give innovators, businesses, and entrepreneurs the protection and encouragement they need to turn their creative ideas into tangible products, and also provide protection for their inventions and trademarks. The Salaries and Expenses Fund’s Fund Balance with Treasury as of September 30, 2023 and 2022 includes (a) $ million of USPTO offsetting collections exceeding the current fiscal year and prior fiscal years’ appropriations that is temporarily precluded from obligation (reduction of budgetary resources) **[OFM will verify data to fund group 1006 HFM SGL data]**. USPTO may use these funds only as authorized by Congress, and only as made available by the issuance of a Treasury warrant; and (b) $ million of USPTO sequestered funds (temporary reduction of budgetary resources) **[OFM will verify data to fund group 1006 HFM SGL data]**. See 35 U.S.C. 42, Patent and Trademark Office funding for more information on this fund; and for FY 2023 budgetary financial information, see the Combining Schedule of Budgetary Resources by Major Budget Account (unaudited), included in Required Supplementary Information (Unaudited).

The Patent and Trademark Surcharge Fund, a Special Fund Receipt Account at Treasury, is discussed in Note 19, Combined Statements of Budgetary Resources. USPTO may use monies from this fund only as authorized by Congress and made available by the issuance of a Treasury warrant. As of September 30, 2023 and 2022, $ million of Fund Balance with Treasury is held in this **[OFM will verify data to fund group 5127 HFM SGL data]**. The law establishing the Patent and Trademark Surcharge Fund is the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508), Title X, Subtitle B, Section 10101, Patent and Trademark Office User Fees.

The Patent and Trademark Fee Reserve Fund results from a provision that requires USPTO to deposit into this fund all patent and trademark fees collected in excess of its annual appropriation amount. Funds made available may only be used, as applicable, for expenses of USPTO relating to the processing of patent applications and trademark registrations, and for other activities, services, and materials relating to patents, trademarks, and related administrative costs. The law establishing the Patent and Trademark Fee Reserve Fund can be found in 35 U.S.C. Section 42.