

Highlights of GAO-12-279T, a testimony before the Subcommittee on Investigations and Oversight, Committee on Science, Space, and Technology, House of Representatives

Why GAO Did This Study

The American Recovery and Reinvestment Act of 2009 (Recovery Act) is intended to preserve and create jobs and promote economic recovery, among other things. The Congressional Budget Office estimated in 2011 that the Recovery Act would cost \$840 billion, including more than \$40 billion in science-related activities at the Department of Energy (DOE), Department of Commerce, the National Aeronautics and Space Administration (NASA), and the National Science Foundation (NSF). These activities support fundamental research, demonstrate and deploy advanced energy technologies, purchase scientific instrumentation and equipment, and construct or modernize research facilities.

The Recovery Act assigned GAO with a range of responsibilities, such as bimonthly reviews of how selected states and localities used funds, including for science-related activities.

This statement updates the status of science-related Recovery Act funding for DOE, Commerce, NASA, and NSF and provides the status of prior recommendations from GAO's Recovery Act reports. This testimony is based on prior GAO work updated with agency data as of September 30, 2011.

View GAO-12-279T. For more information, contact Frank Rusco at (202) 512-3841 or ruscof@gao.gov.

November 30, 2011

RECOVERY ACT

Status of Science-Related Funding

What GAO Found

As of September 30, 2011, DOE, Commerce, NSF, and NASA had obligated about 98 percent of the more than \$40 billion appropriated for science-related activities identified at those agencies. They had spent \$22 billion, or 54 percent of appropriated funds. DOE received the majority of this funding, and the four agencies vary in the amount of Recovery Act funds they have obligated and spent for their programs, as well as the challenges they have faced in implementing the Recovery Act. For example:

- Loan Guarantee Program for Innovative Technologies. As of September 30, 2011, DOE had obligated about 78 percent of the nearly \$2.5 billion provided for this program, which among other things guarantees loans for projects using new or significantly improved technologies as compared with commercial technologies already in use in the United States and reported spending about 15 percent of those funds. In a July 2010 report (GAO-10-627), GAO made four recommendations for DOE to improve its evaluation and implementation of the program. DOE has begun to take steps to address our recommendations but has not fully addressed them, and GAO continues to believe DOE needs to make improvements to the program.
- Weatherization Assistance Program. As of September 30, 2011, DOE had obligated the full \$5 billion of Recovery Act funding provided for the Weatherization Assistance Program, which enables low-income families to reduce their utility bills by making long-term energy-efficiency improvements to their homes, and reported spending about 72 percent of those funds. In a May 2010 report (GAO-10-604), GAO made eight recommendations to DOE to clarify guidance and production targets. To date, DOE has implemented two of those recommendations: (1) it issued guidance on multi-family buildings and (2) clarified the definition of income and strengthened income eligibility requirements.
- Commerce, NASA, and NSF. As of September 30, 2011, Commerce, NASA, and NSF each had obligated nearly all of their science-related Recovery Act funding. Commerce spent about 62 percent, NASA spent about 95 percent, and NSF spent about 46 percent of this funding. GAO has reported several times on the use of these funds and the challenges agencies faced. In a February 2010 report (GAO-10-383), GAO found that some recipients of Commerce's Recovery Act grants faced challenges complying with Recovery Act reporting and other federal requirements and had to delay or recast certain scheduled activities as a result. In a March 2009 report (GAO-09-306SP), GAO found that NASA's large-scale projects, including those that received Recovery Act funds, had experienced significant cost and schedule delays. In a March 2011 report, (GAO-11-239SP), GAO found that Recovery Act funds allowed NASA to reduce the impact of cost increases on some projects and to address problems being experienced by others. In GAO's October 2010 report (GAO-11-127R), it found that NSF's program to increase investment in science, technology, engineering, and mathematics education took steps to evaluate the long-term effectiveness of its projects and developed goals and metrics for that evaluation.