Federal Government Update - 12.19.25 [1]

December 19, 2025 by Riley Black [2]

Dear Colleagues,

Please find a federal government update from our teams.

Annual Defense Policy Bill Signed Into Law

The President signed [3] the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2026 into law on Dec. 18. The legislation, which authorizes funding and sets policy for the Department of War (DOW) was approved 77-20 [4] by the Senate on Dec. 17, and the House 312-112 [5] on Dec. 10. The NDAA is one of the few bills passed by Congress on an annual basis.

The FY26 NDAA bill authorizes nearly \$901 billion for the DOW, including \$146 billion for DOW Research, Development, Testing and Evaluation (RDT&E) programs, an increase of \$1.9 billion over FY25. Additionally, the legislation prohibits the DOW from changing or capping indirect cost (IDC) rates on research awards to colleges and universities, unless the Secretary and Congress reach a compromise with the extramural research community on a new model.

NSF Announces NCAR Rescope

The National Science Foundation (NSF) <u>announced</u> [6] on Dec. 17 that it is "reviewing the structure of the research and observational capabilities" of the National Center for Atmospheric Research (NCAR). NSF said it will engage other federal agencies and the research community for feedback as it "rescopes" the work performed by NCAR. This includes shuttering NCAR's Mesa Laboratory in Boulder, <u>reports</u> [7] *USA Today*. It may also involve transferring stewardship of the <u>NCAR-Wyoming Supercomputing Center</u> [8] and divesting or transferring two research aircraft NCAR operates. NSF indicated it will publish a Dear Colleague Letter with more details at a later date.

NSF's announcement follows a social media <u>post</u> [9] on Dec. 16 from White House Office of Management and Budget Director, Russ Vought, who said NSF will be "breaking up" NCAR, which he called "one of the largest sources of climate alarmism in the country." Founded in 1960, NCAR is "one of the world's premier climate and weather research centers," <u>reports</u> [10] *Science*. NCAR's research aircraft and computer models are "widely used" to forecast extreme weather and disasters across the country, <u>explains</u> [11] the *New York Times*.

NCAR is operated by the University Corporation for Atmospheric Research (UCAR), a nonprofit consortium of 129 universities [12], including CU Boulder, Colorado State University, and University of Northern Colorado. CU Boulder faculty, researchers and students work closely with NCAR on projects "that enable the nation to predict, prepare and respond to natural disasters." CU Boulder released this statement [13] on Dec. 18.

Sens. Bennet and Hickenlooper proposed an appropriations amendment to "ensure continuation of all NCAR operations, capabilities and facilities" in FY 2026 and ultimately stopped consideration of a five-bill minibus funding package that was supposed to be considered before the Senate adjourned for the holidays last night, reports [14] The Hill. Read the Senators' statement here [15]. CU Federal Relations, at the direction of CU leadership, is working with the Colorado congressional delegation and other community partners in support of NCAR's essential functions.

AHEAD Committee Reaches Consensus on Workforce Pell Program

The U.S. Department of Education <u>announced</u> [16] on Dec. 12 the Accountability in Higher Education and Access Through Demand-driven Workforce Pell (AHEAD) Committee reached consensus on how to implement the new Workforce Pell Grant program required by <u>H.R. 1</u> [17], the *One Big Beautiful Bill Act*.

This new program will allow students to apply federal Pell Grants to short-term credential programs that are 150-599 clock hours or roughly to 8-14 weeks in length, reports [18] Inside Higher Ed. The previous threshold for Pell eligibility was 15 weeks. To be eligible, programs must exist for at least one year, lead to a recognized credential like a certificate or license, count as credit toward a subsequent degree, and be considered in-demand, high-skill, or highwage by the state's governor, among other requirements, explains [19] Inside Higher Ed.

Next, the Department will publish regulatory language in the *Federal Register* for public comment. Final rules on the Workforce Pell program will be published thereafter and take effect in July 2026.

The AHEAD committee meets again Jan. 5-9, 2026, to consider other federal financial aid issues, including institutional and programmatic accountability, Gainful Employment and Financial Value Transparency and changes to Pell eligibility.

White House Expands Travel Ban

The White House issued a presidential proclamation [20] on Dec. 16 entitled *Restricting and Limiting the Entry of Foreign Nationals to Protect the Security of the United States.* The proclamation continues entry restrictions on foreign nationals from twelve "high-risk countries" established under the June 4 travel ban (Proclamation 10949 [21]), while also adding an additional five countries to the list, as well as individuals traveling with Palestinian Authority travel documents. The directive also moves Laos and Sierra Leone from partial restrictions to full restrictions. It continues partial travel restrictions for 4 out of 7 additional high-risk nations and adds partial travel restrictions to an additional 15 countries. The new entry restrictions are effective Jan. 1, 2026. An accompanying fact sheet is available here [22].

White House Issues Space Superiority Executive Order

The White House issued an <u>executive order</u> [23] on Dec. 18, entitled *Ensuring American Space Superiority*. The order calls for Americans to return to the moon by 2028, directs deployment

of nuclear reactors on the moon, prioritizes development of a commercial pathway to replace the International Space Station by 2030, and orders the Assistant to the President for Science and Technology to coordinate National Space Policy efforts, according to a fact sheet [24].

The order also prioritizes development of next-generation missile defense technologies by 2028, pursuant to the Iron Dome initiative established by executive order 14186 [25]. Science "gets a brief mention" in the order, reports [26] Space Policy Online. Specifically, the order directs agencies to optimize research and development investments to achieve the administration's "near-term space objectives" as well as to "advance mission capabilities and enable scientific discovery for America's long-term science and technology leadership."

NSF Announces Organizational Realignment

The National Science Foundation (NSF) <u>announced</u> [27] on Dec. 15 an organizational realignment "to increase efficiency and effectiveness." NSF's existing eight research directorates will now report to the Chief Science Officer, according to a new <u>organizational</u> <u>chart</u> [28]. NSF administrative offices, including the offices of Civil Rights, Legislative and Public Affairs, and General Counsel will report to the Chief Management Officer. Each of the new officers will report to NSF's Deputy Director. The changes impact staff oversight only.

NSB Releases Merit Review Report

The <u>National Science Board</u> [29] (NSB) <u>released</u> [30] on Dec. 17 a new 244-page report, three-years in the making, entitled <u>Merit Review for a Changing Landscape</u> [31], which proposes updates to NSF's merit review policy.

Specifically, the NSB recommends that NSF:

- Invite expert reviews from a wider range of industry, research institutions, venture capital, and regions of the country;
- Ensure NSF-funded research delivers societal benefits like advancing economic competitiveness and national security; and
- Prioritize greater flexibility and strategic alignment with national priorities.

The new report re-affirms NSF's merit review process and criteria are "best in class;" however, it does recommend renaming the "Broader Impacts" review criteria to "Societal Benefits."

Senate Confirms Isaacman as NASA Administrator

The Senate <u>confirmed</u> [32] Jared Isaacman as NASA administrator on Dec. 17 on a 67-30 vote. Isaacman <u>testified</u> [33] before the Senate Commerce, Science and Transportation Committee at a <u>confirmation hearing</u> [34] on Dec. 3 where Sen. Hickenlooper asked about his commitment to NASA science programs. The committee advanced Isaacman's nomination to the full Senate on Dec. 8 on an 18-10 vote.

The committee originally cleared Isaacman's nomination in April; however, it was withdrawn by the White House in May. Isaacman was <u>renominated</u> [35] for the post on Nov. 4. Isaacman recently headlined The Science Coalition's <u>"The Science of Space"</u> [36] event, which also featured scientists from CU Boulder's Laboratory for Atmospheric and Space Physics [37].

Colorado Joins States Lawsuit on H-1B Visa Fee

Colorado and 19 other states filed a lawsuit on Dec. 12 challenging the new \$100,000 application fee for H-1B visas, which was unveiled via presidential proclamation [38] on

Sept.19. The states argue the fees "are illegal because they exceed what Congress has authorized and undermine its intent in establishing the program" reports [39] *Politico*.

The U.S. Chamber of Commerce and Association of American Universities' October lawsuit is currently being heard in federal court as well.

White House Issues Cannabis Reclassification Executive Order

The White House issued an executive order [40] on Dec. 18 entitled, *Increasing Medical Marijuana and Cannabidiol Research*, which directs the Attorney General and the Drug Enforcement Agency to initiate rulemaking to reclassify marijuana as a Schedule III drug. The reclassification of marijuana as a less dangerous drug will lift prohibitions for cannabis in medical and scientific research.

The order also directs the Department of Health and Human Services to conduct a scientific and medical evaluation of the substance and to recommend how the drug should be scheduled, as well as to conduct further research into the medicinal effects of CBD. An accompanying fact sheet is available here [41].

HHS Announces New Policies Regarding Gender Affirming Care

The U.S. Department of Health and Human Services (HHS) and Centers for Medicare and Medicaid Services (CMS) <u>announced</u> [42] on Dec.18 that the agency will initiate federal rulemaking to bar hospitals from performing gender-affirming care procedures on children under 18 as a condition of Medicare and Medicaid payments.

HHS noted that services such as puberty blockers, cross-sex hormones, and surgical operations will be considered as conditions for Medicare and Medicaid payments. CMS is expected to release its proposed rules in the coming weeks. CU's General Counsel and Federal Relations teams are closely monitoring any actions taken by CMS and HHS.

The Federal Relations and General Counsel teams are actively monitoring developments at the federal level. We are working closely with the President and Chancellors, as well as the Colorado congressional delegation to champion CU priorities. We are committed to keeping you informed. Please visit the CU System Federal Updates and Actions page [43] for up-to-date communications and federal memos.

Please note that we will not be sending an email update on Dec. 26 or Jan. 2 as CU will be closed for the holidays. We wish you all a happy and healthy holiday season. ??

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Federal Updates [44]

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- [7] https://www.usatoday.com/story/news/politics/2025/12/16/trump-dismantle-national-center-atmospheric-research-climate/87798771007/ [8] https://www.cisl.ucar.edu/ncar-wyoming-supercomputing-center [9] https://x.com/russvought/status/2001099488774033692
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