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Federal Update: Further Details on the President's Proposed Discretionary Budget Request [1]

June 5, 2025 by Riley Black [2]

Dear Colleagues,

The White House released a detailed version of the President's Fiscal Year (FY) 2026 Discretionary Budget Request [3] to Congress on May 30. The full budget provides additional insight into the federal administration's funding priorities for FY 2026, which begins October 1. Congressional appropriations leaders were lukewarm to the administration's initial "skinny budget" proposal, released on May 2, noting the White House request is the beginning of the appropriations cycle and Congress has final say over federal funding decisions. Some, but not all federal agencies have released their congressional justification documents which provide program-specific details.

Overall, the budget proposal seeks to reduce non-defense discretionary funding by $163 billion (22 percent) to $601 billion, with substantial cuts proposed to the Departments of Education and Health and Human Services, the National Science Foundation, and research activities at the National Oceanic and Atmospheric Administration and National Aeronautics and Space Administration. The proposal seeks to boost defense spending to $1.011 trillion, a 13 percent increase.

The President's request reflects his priorities but does not have the force of law. It is the first step in the federal appropriations process. Over the course of the next five months, Congress will write appropriations bills, convene public hearings and cast votes on the 12 annual funding bills. Federal funding bills are subject to the Senate's 60-vote threshold and require bipartisan support to ultimately become law. CU is actively participating in this process, championing university priorities with the Colorado congressional delegation, urging members to sign support letters, meeting with appropriations committee staff, working with coalitions of other universities and associations, and more.

Below is a summary of what the White House is proposing for agencies of importance to CU:

Department of Education (ED)

According to the "Budget in Brief," [4] the federal administration is proposing $66.7 billion in new discretionary funding for ED, which is a $12 billion reduction. The request is described as the first step in "responsibly winding down" the agency.

Student Aid

- Proposes a maximum Pell Grant award of $5,710 per student, which is a $1,685

reduction. ED estimates this award level will support an estimated 7.2 million students in FY26.
- Proposes elimination of TRIO, GEAR UP, and Supplemental Educational Opportunity Grants.
- Proposes $250 million, a $980 million decrease, for Federal Work Study (FWS). Reforms the FWS formula to prioritize institutions "serving the most low-income students." Seeks to reduce the federal contribution to 25 percent of students' hourly wages, although enacting this reform will require congressional approval.

Higher Education Programs

- Proposes flat funding for Hispanic-Serving institutions and Asian American- and Native American Pacific Islander-serving Institutions.
- Proposes to eliminate programs the White House deems duplicative of other programs or "more appropriately supported with state, local, institutional, or private funds," including the Child Care Access Means Parents in School (CCAMPIS) program, the Graduate Assistance in Areas of Need (GAAN) program, the Teacher Quality Partnership (TQP) program, the Fund for the Improvement of Postsecondary Education (FIPSE), the Hawkins Centers of Excellence program, and International Education and Foreign Language Studies programs.
- Proposes $261 million for a "reimagined" Institute of Education Sciences (IES) that supports "evidence-based accountability, data-driven decision making, and education research for use in the classroom." Under the proposal, IES will continue statutorily required activities such as the National Center for Education Research R&D Centers and the Small Business Innovation Research Program. The request maintains funding for "critical data collections and studies," including the Program for International Student Assessment (PISA), the Common Core of Data (CCD), and the Integrated Postsecondary Education Data System (IPEDS). A "primary focus of the re-envisioned IES" is "strong dissemination and development" of IES activities and findings to education practitioners.

Departmental Management

- Proposes $2.06 billion in flat funding for the Student Aid Administration (SAA) but proposes a decrease to the SAA workforce.
- Proposes $91 million, a $49 million decrease, for the Office of Civil Rights.

For more information: ED FY 26 Budget Request [5]

Department of Health and Human Services (HHS)

Proposes $94.6 billion, a $31.3 billion decrease, for HHS in FY26.

National Institutes of Health

- Proposes $27.9 billion in total for NIH programs, which is a $18 million decrease. Specific funding recommendations per institute will be available when the NIH posts the accompanying Congressional justification.
- Proposes to consolidate NIH into eight institutes. Consolidation of NIH would require an

act of Congress. Under current law, the NIH has 27 institutes and centers.
    - National Cancer Institute
    - National Institute on Aging
    - National Institute of Allergy & Infectious Diseases
    - National Institute on Body Systems
        - Would merge the National Heart, Lung & Blood Institute; National Institute of Arthritis, Musculoskeletal & Skin Disease; and the National Institutes of Diabetes, Digestive and Kidney Diseases.
    - National Institute on Neuroscience & Brain Research
        - Would merge the National Institute for Dental & Craniofacial Research; National Institute of Neurological Disorders & Stroke; and the National Eye Institute.
    - National Institute of General Medical Sciences.
        - Would merge the National Institute of General Medical Sciences; National Human Genome Research Institute; National Library of Medicine; National Institute of Biomedical Imaging & Bioengineering; and the National Center for Advancing Translational Sciences.
    - National Institute for Child and Women 's Health, Sensory Disorders, and Communication.
        - Would merge the National Institute of Child Health & Human Development with the National Institute on Deafness & Other Communication Disorders.
    - National Institute of Behavioral Health.
        - Would merge the National Institute on Alcohol Abuse & Alcoholism; National Institute on Drug Abuse; and the National Institute of Mental Health.
- Proposes to eliminate the National Institute on Minority Health and Health Disparities, the National Institute on Nursing Research, and the Fogarty International Center.
- Proposes to move the Advanced Research Project Agency for Health (ARPA-H) into the office of the Assistant Secretary for a Healthy Future and the National Institute for Environmental Health Sciences (NIEHS) to the Administration for Health and Human Services.

The budget states that in FY 2026, it will “continue to cap indirect cost rates at 15 percent. Additionally, the budget in brief discusses priority areas of focus for the NIH, and that they will prioritize research that focuses on “ending the chronic disease epidemic,” including research on “nutrition and other environmental factors that cause chronic conditions such as obesity, heart disease, diabetes, asthma, autism, and cancer.” Additionally, the administration will prioritize “restoring trust in public science” through initiatives transferring academic freedom, investing in new ideas and improving safety and security for research. HHS states that to help improve the safety and security of biomedical research, they will suspend gain-of-function research and pathogen research, “pending final administrative guidance.”

Administration for a Healthy America (AHA)

The administration is proposing the creation of the AHA, which would merge programs from the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Office of the Assistance Secretary for Health (OASH), the National Institute of Occupational Safety and Health (NIOSH) and the NIEHS. The goal of AHA is to advance the health and well-being of Americans, with a focus on primary care, workforce development, mental health, environmental health, and injury prevention programs.

- Proposes $500 million in new funding for the President's Make America Health Again initiatives, tasking the AHA for disseminating that program.
- Proposes $948 million for workforce development programs currently under HRSA.
- Proposes $73 million for programs currently under NIOSH.
- Proposes $5.7 billion for mental health programs currently under SAMHSA and HRSA.

Other HHS Agencies

- Proposes $4.3 billion for the Centers for Disease Control and Prevention (CDC), a $3.5 billion decrease.
    - Proposes to eliminate numerous CDC programs, including the Domestic and Global HIV/AIDS, Global Tuberculosis, Global Immunization, and the National Center for Chronic Disease Prevention and Health Promotion
- Proposes $945 million for ARPA-H within the office of the Assistant Secretary for a Healthy Future, a $555 million decrease.
- Proposes $240 million for Healthcare Research within the HHS Office of Strategy, which would include funding for programs at the Agency for Healthcare Research and Quality.

For more information: HHS Budget Request to Congress [6]

National Science Foundation (NSF)

Requests $3.903 billion, a $5.2 billion (56 percent) reduction, for NSF in FY26. This includes reductions ranging from 43 percent to 75 percent across NSF's eight research directorates:

- **Biological Sciences**: $224.9 million, a $564.7 million reduction.
- **Computer and Information Science and Engineering**: $346.3 million, a $643 million reduction.
- **STEM Education**: $288.4 million, a $865.9 million reduction.
- **Engineering:** $185.2 million, a $555.6 million reduction.
- **Geosciences**: $873.6 million, a $703.5 million reduction.
- **Mathematical and Physical Sciences**: $515.3 million, a $1.04 billion reduction.
- **Social, Behavioral, and Economic Sciences**: $94 million, a $196.3 million reduction.
- **Technology, Innovation, and Partnerships**: $350 million, a $268 million reduction.

The administration's request estimates NSF competitive award funding will drop from 9,600 awards in FY24 to 2,300 awards in FY26. Under the proposal, the agency's funding rate will drop from 26 percent to 7 percent. The number of people directly involved in NSF programs and activities – from senior researchers to postdocs to undergrads to K-12 teachers and students – is also estimated to decrease from 330,100 in FY24 to 90,000 in FY26. The proposal also reduces funding for NSF's prestigious Graduate Research Fellowship Program

to $127.3 million, a $157.2 million (55 percent) decrease.

The request reduces overall funding across directorates and programs; however, it does prioritize three “critical activities” for investment, including:

- $655.2 million for **artificial intelligence**.
- $231.2 million for **quantum information science**.
- $350 million for the **Directorate for Technology, Innovation, and Partnerships**.

The budget will “continue to enable key work” across quantum thrusts, including computing, communications, sensing, networking, artificial intelligence, and simulation. The administration will also “sustain” investment in NSF’s Quantum Leap Challenge Institutes (QLCIs), including through a new competition. CU Boulder is home to the Q-SEnSE institute, one of the first NSF QLCIs.

Several use-inspired and translational initiatives of importance to CU, our state, and region are also highlighted in the request, including NSF Regional Innovation Engines, NSF Small Business Innovation Research/Small Business Technology Transfer, and NSF Innovation Corps. The request also prioritizes continued support for NSF’s National AI Research Institutes program, which created a national network of AI hubs, including at universities like CU Boulder. The proposal also includes $181.1 million for polar infrastructure.

The proposal also prioritizes eight additional “key areas” for NSF-wide investment, including:

- $248.6 million for **biotechnology**, including genomics and synthetic biology.
- $110.1 million for **advanced manufacturing**, including robotics and sensing technologies.
- $65.8 million for **microelectronics and semiconductors**, including advanced computer hardware.
- $59.5 million for **advanced wireless**;
- $107.7 million for the Established Program to Stimulate Competitive Research (EPSCoR) Office.
- $21.7 million for the CybersCorps: Scholarships for Service program.
- $56.5 million for programs that support STEM education at Historically Black Colleges and Universities (HBCUs)
- $7.1 million for the Tribal Colleges and Universities Program.

Notably, the request incorporates several NSF “highlights” as examples of important work the agency is advancing. These include CU Boulder’s award to launch a National Quantum Nanofab facility and the National Artificial Intelligence Research Resource (NAIRR) pilot, where CU Boulder’s research computing team is providing national leadership.

For more information: NSF FY26 Budget Request [7].

National Aeronautics and Space Administration (NASA)

Requests $18.8 billion, a $6.1 billion (24.5 percent) reduction, for NASA in FY26. The proposal would “bring the agency’s budget down to levels last seen in 1961 when corrected for inflation,” reports [8] *Space News*. The budget prioritizes human space exploration, including to the Moon and Mars, and cuts all of NASA’s mission directorates, *except* Exploration, as follows:

- **Exploration**: $8.3 billion, a $600 million increase.
- **Space Operations**: $3.1 billion, a $1.1 billion decrease.
- **Space Technology**: $568.9 million, a $531.1 million decrease.
- **Science**: $3.9 billion, a $3.4 million decrease.
- **Aeronautics**: $588.7 million, a $346.3 million decrease.
- **STEM Engagement**: Eliminates funding, a $143 million decrease, including for the National Space Grant College and Fellowship Project.

Within the Science Mission Directorate, which is slated for a 47 percent cut under the plan, all five divisions would see reductions:

- **Earth Science**: $1.03 billion, a $1.1 billion decrease.
- **Planetary Science**: $1.9 billion, a $873 million decrease.
- **Astrophysics**: $523 million, a $1 billion decrease.
- **Heliophysics**: $432.5 million, a $372.5 million decrease.
- **Biological and Physical Sciences**: $25 million, a $62.5 million decrease.

Dozens of science missions are canceled in the proposal, including:

- Mars Sample Return
- Earth System Observatory missions
- Mars Odyssey
- MAVEN [9] mission, led by LASP at CU Boulder

The request does not include funding for the Geospace Dynamics Constellation (GDC) mission. Instead, NASA will “explore other ways of meeting the science goals relevant to the space weather operational and user communities.” The request does recommend $55 million, “the highest amount ever proposed,” for NASA space weather research within the Heliophysics Division.

The request maintains funding for the Total and Spectral Solar Irradiance Sensor (TSIS-1 and TSIS-2) missions at $3.9 million and $10 million, respectively, as well as for the Libera mission. These missions contain decades of critical data on the Earth’s radiant energy system. The proposal includes $2 million, a $17 million reduction, for the Climate Absolute Radiance and Refractivity Observatory (CLARREO) Pathfinder mission.

The proposal notes that NASA science programs provide “critical Earth data on severe weather challenges and changing agricultural conditions.” It provides $133.4 million for NASA’s Advanced Air Vehicles Program, which will “support critical hypersonics research in coordination with the DoD,” among other objectives. The budget also continues funding for the James Webb and Hubble Space Telescopes at $225 million.

For more information: NASA FY26 Budget Request [10].

Department of Commerce

National Oceanic and Atmospheric Administration (NOAA)

- Requests $1.52 billion, a 25 percent reduction, for NOAA in FY26; however, few details on the request are currently available. NOAA has not released its FY26 Blue Book or Congressional Justification documents, which are typically posted here [11]. The appendix [12] in the Office of Management and Budget's *Technical Supplement to the 2026 Budget* omits the Office of Oceanic and Atmospheric Research (OAR), which funds extramural research grants and cooperative agreements, including NOAA's national networks of Cooperative Institutes (CIs) and Climate Adaptation Partnerships (CAPs), from the request entirely. CU Boulder is home to the Cooperative Institute for Research in Environmental Sciences (CIRES) and the Western Water Assessment (WWA), which are NOAA CI and CAP partnerships, respectively. The request provides $3.06 billion for NOAA Operations, Research and Facilities, including for six line offices: the National Ocean Service; National Marine Fisheries Service; National Weather Service; National Environmental Satellite, Data and Information Service; Office of Marine and Aviation Operations; and Mission Support, a new office that will support "grant administration," among other activities.

National Institute of Standards and Technology (NIST)

- Requests $832 million, a $325 million (28 percent) decrease for NIST. This includes $707 million for Scientific and Technical Research and Services and $87.8 million for Construction of Research Facilities, including the facilities used by NIST in Boulder and Fort Collins. The request "focuses on emerging and critical technologies such as artificial intelligence, quantum information science, and biotechnology and other industries of the future," according to the Office of Management and Budget's appendix [12]. The request includes $37 million for the Manufacturing USA Program; however, it eliminates the Hollings Manufacturing Extension Partnership Program. NIST's detailed budget justification is not yet available online.

Department of Energy (DOE)

Requests $46.3 billion, a $3.5 billion (7 percent) decrease, for DOE in FY26. The proposal includes the following funding levels for DOE program offices:

- **Office of Science**: $7.1 billion, a $1.14 billion decrease.
- **Energy Efficiency and Renewable Energy (EERE)**: $888 million, a $2.6 billion decrease.
- **Advanced Research Projects Agency – Energy (ARPA-E)**: $200 million, a $260 million decrease.
- **Fossil Energy**: $595 million, a $270 million decrease.

- **National Nuclear Security Administration**: $30.0 million, a $5.9 million increase.

The request increases funding within the Office of Science for administration priorities, including artificial intelligence and machine learning, quantum, high speed computing, microelectronics, and fusion energy. Program offices that are funded under the request as follows:

- **Advanced Scientific Computing Research**: Level funded at $1.016 billion.
- **Basic Energy Sciences**: $2.2 billion, a $384 million decrease.
- **Biological and Environmental Research**: $394 million, a $506 million decrease.
- **Fusion Energy Sciences**: $744 million, a $46 million decrease.
- **High Energy Physics**: $1.112 billion, an $87 million decrease.
- **Nuclear Physics**: $767 million, a $37 million decrease.

The request prioritizes EERE research on emerging geothermal and hydropower technologies, as well as biofuels, industrial efficiency, critical minerals and materials, and advanced manufacturing technologies. The proposal provides “minimal support” for efficiency standards. The request “fulfills its role as steward” of the National Renewable Energy Laboratory (NREL), located in Golden, by “maintaining core operations, maintenance, and facilities management activities.” The request prioritizes NREL’s Energy Materials and Processing at Scale (EMAPS) facility.

The request continues ARPA-E's standalone Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) program. ARPA-E is directed to maintain “a healthy and varied portfolio of energy projects.”

Department of the Interior (DOI)

Requests $11.7 billion, a $5.1 billion (30.5 percent) decrease, for DOI in FY26.

- Proposes $891.6 million, a $559 million decrease, for the U.S. Geological Survey (USGS). The request eliminates USGS’s Ecosystems Mission Area, which administers numerous science programs, including the national network of Climate Adaptation Science Centers. CU Boulder is home to the North Central Climate Adaptation Science Center, which serves Colorado, Wyoming, Montana, North Dakota, South Dakota, Kansas, and Nebraska.
- Proposes the creation of the U.S. Wildland Fire Service, which will consolidate wildland fire management programs and activities from across the DOI and the U.S. Department of Agriculture (USDA) Forest Service (FS). The proposal includes new authorities to support activities related to suppression operations, preparedness, fuels management, burned area rehabilitation, facilities construction and maintenance, intelligence and technology, and grants and partnerships. The Intelligence and Technology activity will administer the current Joint Fire Science Program (JFSP) and transfer investment in wildland fire research from USDA FS to DOI.
- Proposes $827 million, a $476 decrease, for the Bureau of Land Management’s Management of Lands and Resources activities.
- Proposes $1.1 billion, a $349 million decrease, for U.S. Fish and Wildlife Service resource management. Proposes the elimination of the Science Applications program.
- Proposes $1.1 billion for the Bureau of Reclamation.

For more information: DOI FY 2026 Budget Request [13].

Environmental Protection Agency (EPA)

Requests $4.16 billion, a $5 billion (54 percent) decrease, for the EPA in FY26.

- Proposes $501 million, a $255 million decrease, for the Science & Technology account.
- Proposes $2.482 billion, a $713 million decrease, for the Environmental Programs and Management account.
    - Proposes to eliminate Environmental Justice programs.
    - Proposes to eliminate Clean and Safe Water Technical Assistance Grants.
- Proposes $745 million, a $3.64 billion decrease, for State and Tribal Assistance Grants.

For more information: EPA FY 2026 Budget Request [14].

National Endowment for the Humanities (NEH)

Proposes to eliminate the NEH in FY26.

Department of Defense (DoD)

Requests $961.6 billion in discretionary funding for DoD, a $113.3 billion (13.3 percent) increase.

- Proposes $40.5 billion for the Defense Health Program.
- Proposes $141.9 billion for Research, Development, Test, and Evaluation (RDT&E), including:
    - $14.5 billion for Army RDT&E.
    - $25.7 billion for Navy RDT&E.
    - $52 billion for Air Force RDT&E.
    - $15.5 billion for Space Force RDT&E.
    - $33.9 billion for DoD-wide RDT&E.

Additional details on DoD's FY26 budget proposal are expected next month.

For more information: FY 26 Budget Appendix [12]

Department of State

Requests $9.6 billion, a $49.1 billion (83.7 percent) decrease, for the State in FY26. This decrease includes rescissions and cancellations.

- Proposes the elimination of the U.S. Agency for International Development (USAID).
- Proposes $50 million, a $691 million decrease, for Educational and Cultural Exchange Programs.
- Proposes the elimination of the Asia Foundation, the National Endowment for Democracy, the East-West Center, the Center for Middle Eastern-Western Dialogue, the Eisenhower Exchange Fellowship Program, and the Israeli Arab Scholarship Program.
- Proposes $10.7 billion in bilateral economic assistance, a decrease of $14.8 billion.
    - Proposes $3.8 billion for global health programs, a decrease of $6.2 billion.

For more information: FY 26 Department of State Congressional Justification [15].

Department of Veterans Affairs (VA)

Requests $441.3 billion, a $42.2 billion (10 percent) increase, for the VA in FY26.

- Proposes an additional $3.3 billion for VA medical care at VA medical centers and community partners.
- Proposes a $2.2 billion increase in electronic health record modernization.
- Proposes $319 million less for VA Information Technology Systems.

For more information: VA FY 26 Budget Request [16].

We understand that much of the White House's FY26 budget proposal is of concern to our campuses. As we previously stated this proposal does not contain the force of law. It is the responsibility of Congress to pass a federal budget. The Federal Relations team is closely monitoring and strategically engaging in the government funding cycle. Our team is working closely with the President and Chancellors, the Colorado congressional delegation, and the national higher education associations. We encourage you to contact your campus leadership with questions. Please visit the CU System Federal Legislation and Appropriations Updates page [17] for up-to-date communications and federal memos.

Sincerely,

Danielle Radovich Piper, Sr VP External Relations and Strategy, and the CU Federal Relations Team

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