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Federal Update: FY27 President's Proposed Discretionary Budget Request [1]

April 8, 2026 by Riley Black [2]

Dear Colleagues,

The White House released [3] the President's Fiscal Year 2027 (FY27) Discretionary Budget Request (PBR) to Congress on April 3. The request outlines the federal administration's funding priorities for the next fiscal year, which begins on Oct. 1. The PBR proposes $1.5 trillion in discretionary defense funding, a 44 percent increase, and reductions to all non-defense programs by 10 percent or about $73 billion. These reductions assume the shifting of some budgetary responsibilities to state and local governments.

The President's request does not have the force of law. It is the White House's funding wish list put forward for congressional consideration. Lawmakers will decide which proposals to keep, modify or reject. 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 become law.

The national higher education associations, including APLU [4], AAU [5], and AAMC [6], released statements of concern about the budget's proposed cuts to research and higher education programs.

CU is actively participating in the congressional appropriations 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 in FY27:

Department of Commerce
Proposes $9.2 billion in FY27, a $1.3 billion or 12.2 percent decrease, for Commerce in FY27.

- **Economic Development Administration (EDA)** is proposed for elimination. The budget requests $20 million to close out EDA. Congress funded EDA at $466 million in FY26. The request does not provide new funding for EDA's Regional Technology and Innovation Hubs.
- **National Institute of Standards and Technology (NIST)** is proposed to receive $857 million, a $993 million or 53.7 percent decrease from FY26.
    - **Scientific and Technical Research and Services (STRS)** would receive $729.2

million, a $350.8 million or 32.5 percent decrease.
    - **Construction of Research Facilities (CRF)** would receive $88 million, a $298 million or 77 percent decrease from FY26.
- **National Oceanic and Atmospheric Administration (NOAA**) is proposed to receive $4.45 billion, a $1.7 billion or 27.8 decrease from FY26. The request proposes deep cuts to nearly every part of NOAA and for the second consecutive year seeks to eliminate the agency's research office, Oceanic and Atmospheric Research (OAR).
    - The request provides $3.229 billion for **NOAA Operations, Research and Facilities (ORF)**, a $1.3 billion or 29 percent decrease, across its six line offices: the National Ocean Service (NOS); the National Marine Fisheries Service (NMFS); the National Weather Service (NWS); the National Environmental Satellite, Data and Information Service (NESDIS); the Office of Marine and Aviation Operations (OMAO); and Mission Support, a new office that will support "grant administration," among other activities. NWS and NESDIS are the only parts of NOAA not proposed for major cuts by the White House.
    - The White House again proposes eliminating **Oceanic and Atmospheric Research (OAR)**, which funds extramural research grants and cooperative agreements, including NOAA's national network of Cooperative Institutes (CIs) and Regional Integrated Sciences Assessments (RISAs). 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 RISA partnerships, respectively.

For more information: Commerce FY27 Budget Appendix [7]

Department of Education (ED)
Proposes $76.5 billion in discretionary funding for ED, a $2.3 billion or 2.9 decrease from FY26. The proposal aims to shift education programs from the federal government to the states and seeks to consolidate 17 K-12 programs into a $2 billion "Make Education Great Again" (MEGA) states block grants program.

Student Aid

- Proposes $33.2 billion in discretionary funding for the federal Pell Grant, an increase of $10.5 billion. This increase addresses the Pell Grant funding shortfall and proposes level funding the maximum Pell award at $7,395 in 2027-2028.
- Proposes eliminating Supplemental Educational Opportunity Grants. Congress appropriated $910 million for SEOG in FY26.
- Proposes $123 million for Federal Work Study, a decrease of $1.11 billion or 90 percent. The request also seeks to reduce the federal contribution from 75 percent to 10 percent of students' hourly wages, although enacting this reform requires congressional approval.

Higher Education Programs

- Proposes to eliminate most federal higher education programs arguing they are duplicative of other programs; should be funded by state, local, institutional or private funds; are outside of ED's core mission; are unconstitutional or are ineffective. Programs proposed for elimination include:
    - **Aid for Institutional Development**: Title III Strengthening Institutions Program

(SIP), Strengthening Alaska Native and Native Hawaiian-serving Institutions (ANNHs), Strengthening Predominantly Black Institutions (PBIs), Strengthening Asian American- and Native American Pacific Islander-serving Institutions (AANAPISIs), Strengthening Native American-serving nontribal institutions (NASNTIs) and Minority Science and Engineering Improvement (MSEIP).
    - **Aid for Hispanic- Serving Institutions:** Developing Hispanic-Serving Institutions (HSIs), Promoting Postbaccalaureate Opportunities for Hispanic Americans and Mandatory Developing HSI STEM and Articulation Programs.
    - Federal TRIO programs and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP).
    - Child Care Access Means Parents in School (CCAMPIS) program.
    - Fund to Improve Postsecondary Education (FIPSE).
    - Title VI International and Foreign Language Education programs.
    - Teacher Quality Partnership (TQP) program and Hawkins Center for Excellence program.
- Proposes $91 million for ED's Office for Civil Rights (OCR), a $49 million or 35 percent decrease from FY26.
- Proposes $261 million for the Institute of Education Sciences (IES), a $528.3 million or 67 percent decrease from FY26.

For more information: ED FY27 Budget Request [8].

Department of Energy (DOE)
Proposes $53.9 billion, a $4.78 billion or 10 percent increase, for DOE in FY27. Most of this increase would fund nuclear defense capabilities. Cuts are proposed to all other major DOE programs.

- **Office of Science (SC)** would receive $7.13 billion, a $1.2 billion or 15 percent decrease from FY26. The request prioritizes funding for AI, quantum, high-performance computing, critical minerals and fusion fuels. Full request details for DOE SC have not been published.
- **Energy Efficiency and Renewable Energy (EERE)** programs would receive $1.12 billion, a $1.9 billion or 63 percent decrease. The administration eliminated the EERE office in 2025 and consolidated and moved its programs to the Office of Critical Minerals and Energy Innovation (CMEI).
- **Advanced Research Projects Agency – Energy (ARPA-E)** would receive $200 million, a $150 million or 43 percent decrease from FY26. The budget realigns ARPA-E to focus on high-risk, high-reward research consistent with administration priorities, including AI, critical minerals and fusion fuels.
- DOE Nuclear Energy programs would receive $1.53 billion, a $151 million or 9 percent decrease. This includes $128.8 million for University and Competitive Research Programs, a $17.3 million or 11.8 percent decrease.
- The request proposes $1.2 billion to support the new Office of Artificial Intelligence and Quantum (AIQ), which is tasked with advancing the Genesis Mission.
- The request proposes $10 million to stand up a new Office of Fusion (OF) at DOE.

For more information: DOE FY27 Budget Request [9].

Department of Health and Human Services (HHS)
Proposes $112.238 billion for HHS in FY 27, a $16.5 billion decrease from FY 26 enacted

levels. HHS's budget implements many policies outlined in the Make America Healthy Again report, which recommends consolidation of certain HHS agencies to "reduce administrative burden."

- Proposes $41.429 billion for the **National Institutes of Health (NIH),** $5.787 billion or 12.3 percent below FY26 levels.
    - The Budget in Brief [10] indicates the Administration's intent to cap all indirect cost reimbursement rates at 15 percent and forward fund all NIH grants in FY27. Congress rejected both of these proposals in the FY26 funding bills.
    - Proposes to eliminate the National Institute on Minority Health and Health Disparities, Fogarty International Center and the National Center for Complementary and Integrative Health.
    - Proposes to consolidate the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism into a new National Institute of Substance Use and Addiction Research within the NIH. All other institutes and centers appear to remain in their current form.
- Proposes $945 million for **Advanced Research Projects Agency for Health (ARPA-H**), $555 million or 37 percent below FY26 levels.

- Proposes the formation of the Administration for a Healthy America (AHA), which would consolidate the Assistant Secretary for Health (OASH), the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMHSA), and several centers and programs from the Centers for Disease Control and Prevention (CDC) including National Center for Injury Prevention into one agency.
    - For FY27, the Administration is proposing $14.7 billion, a $4.97 billion decrease from FY26, for programs within the AHA.
    - In FY 26, we saw Congress reject the establishment of the AHA and individually fund each of these agencies.
- Proposes $5.28 billion for **the CDC**, a $484 million decrease from FY 26.
    - Proposes the formation of the National Center for Chemicals and Toxins (NCCT), within the CDC, consolidation the Agency for Toxic Substances and Disease Registry, National Institute for Occupational Safety and Health and National Center for Environmental Health, the Food and Drug Administration's (FDA's) National Center for Toxicological Research, and the NIH's National Institute for Environmental Health Science into one agency.
- Proposes $240 million for the new HHS Office of Strategy, a $250 million decrease from FY 26.
    - This new office would consolidate the Assistant Secretary for Planning and Evaluation (ASPE), the Agency for Healthcare Research and Quality (AHRQ), and the National Center for Health Statistics from the CDC into one office.
    - Congress rejected consolidating these agencies in FY 26.

For more information: HHS FY27 Budget Request [11].

Department of Interior (DOI)
Proposes $15.9 billion, a $2.3 billion or 12.9 percent decrease, for DOI in FY27.

- Proposes $892.7 million, a $528 million or 37.2 percent decrease, for the **U.S. Geological Survey (USGS)**. The White House is once again proposing to eliminate

USGS's Ecosystems Mission Area, which administers numerous science programs, including the national network of Climate Adaptation Science Centers (CASCs). CU Boulder is home to the North Central Climate Adaptation Science Center, which serves Colorado, Wyoming, Montana, North Dakota, South Dakota, Kansas and Nebraska. The request includes $136.5 million for the Natural Hazards Mission Area, a $63.6 million or 31.8 percent decrease.

- Proposes multiple reorganizations across DOI, including establishing a U.S. Wildland Fire Service agency that consolidates wildland fire management activities across DOI and the U.S. Department of Agriculture.
- Proposes the creation of a Marine Minerals Administration that consolidates the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement.

For more information: DOI FY27 Budget Request [12].

Department of Labor (DOL)
Proposes $10.7 billion, a $3.4 billion or 25 percent decrease for DOL in FY27.

- Proposes to consolidate the twelve DOL workforce development programs into the Make America Skilled Again (MASA) grant program. At least 10 percent of funding would support registered apprenticeships.
- Proposes $1.45 billion in funding for the Career and Technical Education (CTE) programs, which have previously been funded under Department of Education.

For more Information: DOL FY27 Budget [13]

Department of War (DOW)
Proposes $1.5 trillion in FY27 spending for the Department of War (DOW), with $1.15 trillion in discretionary spending and an additional $350 billion through the reconciliation process. This amounts to a 44 percent increase over FY26.

- Proposes $5.04 billion for **Defense Advanced Research Projects Agency (DARPA)**, an increase of $250 million.
- Proposes $1 billion for Defense Health R&D, a 60 percent decrease.
- Proposes $343.69 billion for **Research, Development, Test, and Evaluation (RDT&E)**, a $197.77 billion or 135.5 percent increase, including:
    - $18.75 billion for Army RDT&E
    - $36.24 billion for Navy RDT&E
    - $74.17 billion for Air Force RDT&E
    - $40.66 billion for Space Force RDT&E
- The request proposes to eliminate funding for the Navy's university research initiatives, which includes funding for current and new Multiple University Research Initiative (MURI) awards.
- The request proposes funding defense-wide RDT&E as follows:
    - $800 million for 6.1 (basic research)
    - $2.746 billion for 6.2 (applied research)
    - $13.178 billion for 6.3 (advanced technology development)
- The request also includes $18 billion for the Golden Dome space-based missile defense system with an additional $17 billion in funding proposed through budget reconciliation. Of that, DOW plans to spend $14 billion on RDT&E.

DOW is scheduled to provide detailed budget information on Fiscal Year 2027 on April 21, reports [14] *Inside Defense*.

For more information: DOW FY27 Budget Appendix [15], DOW FY27 Budget Materials [16].

National Science Foundation (NSF)
Proposes $3.96 billion, a $4.79 billion or 54.7 percent decrease, for NSF in FY27. The request includes deep reductions ranging from 43.4 percent to 100 percent across NSF's seven research directorates:

- **Biological Sciences:** Proposes $224.9 million, a $569.7 million or 71.7 percent decrease.
- **Computer and Information Science and Engineering:** Proposes $346.3 million, a $586.5 million or 62.9 percent decrease.
- **Engineering:** Proposes $185.2 million, a $552.9 million or 74.9 percent decrease.
- **Geosciences:** Proposes $426.3 million, a $594.3 million or 58.2 percent decrease.
- **Mathematical and Physical Sciences:** Proposes $515.3 million, a $1.03 billion or 66.7 percent decrease.
- **Social, Behavioral, and Economic Sciences:** Proposes elimination. Congress appropriated $150 million for SBE in FY26.
- **Technology, Innovation, and Partnerships:** Proposes $350 million, a $267.9 million or 43.4 percent decrease. This includes $13.9 million for NSF's Regional Innovation Engines, a 43 percent decrease. CU Boulder and CU Denver are partners in the NSF ASCEND Engine in Colorado and Wyoming.
- **STEM Education (EDU):** Proposes $427.7 million, a $510.6 million or 54.4 percent decrease. For the second consecutive year the request proposes moving EDU into NSF's Research and Related Activities (R&RA) account. The request also proposes $246.7 million for NSF's Graduate Research Fellowship Program (GRFP), a $186.5 million or 43 percent decrease. Moreover, the request proposes $15 million for the

Research Experiences for Undergraduates (REU) program, a $32 million or 68 percent decrease.
- **Major Research Equipment and Facilities Construction** would receive $173 million, a $78 million or 31 percent decrease.
- The request prioritizes emerging technologies and commercialization at NSF. It seeks $655 million for AI, $231 million for quantum, $176 million for advanced materials manufacturing and $249 million for biotechnology programs. The request says NSF will support transitioning the National Artificial Intelligence Research Resource (NAIRR) "beyond the pilot stage." CU Boulder led one of the NAIRR pilot working groups.
- The budget also proposes $175 million for a new joint DOE-NSF initiative on Energy-Water Security. The initiative will create solutions tailored to drought-prone basins and energy-intensive regions. The request directs $75 million to DOE and $100 million to NSF for the initiative.
- NSF expects to fund 2,900 grants with an 8 percent funding rate compared to 7,400 grants and a 19 percent funding rate in FY25.
- NSF's National Center for Atmospheric Research (NCAR) would receive a 40 percent reduction under the plan. The request also says the agency is exploring options to transfer stewardship of the NCAR-Wyoming Supercomputer Center, divest two aircraft NCAR operates and redefine the scope and operations of NCAR's work on seasonal weather prediction, severe storms and space weather.

For more information: NSF FY27 Budget Request [17].

National Aeronautics and Space Administration (NASA)
Proposes $18.8 billion, a $5.6 billion or 23 percent decrease, for NASA in FY27. The proposal prioritizes human space exploration, including $8.5 billion in funding for the Moon to Mars Mission. The White House is requesting reductions across all NASA mission directorates, except for Exploration:

- **Exploration**: Proposes $8.5 billion, a $731 million increase.
- **Space Operations:** Proposes $3.047 billion, a $1.13 billion or 27 percent decrease.
- **Space Technology:** Proposes $624.3 million, a $296.2 million or 32 percent decrease.
- **Science:** Proposes $3.894 billion, a $3.356 billion or 47 percent decrease.
- **Aeronautics:** Proposes $609.5 million, a $325.5 million or 35 percent decrease.
- **STEM Engagement:** Proposes eliminating funding, including for the National Space Grant College and Fellowship Project. Congress funded NASA STEM at $143 million in FY26.

For the second consecutive year the White House is requesting $3.9 billion for NASA's Science Mission Directorate (SMD). Under the plan, all five SMD divisions would face reductions:

- **Earth Science**: Proposes $1.021 billion, a $1.132 billion or 52.6 percent decrease.
- **Planetary Science**: Proposes $1.875 billion, a $665.5 million or 26 percent decrease. This includes $160 million to support operations of Europa Clipper, Psyche and Lucy.
- **Astrophysics:** Proposes $552.4 million, a $1.043 billion or 65.4 percent decrease. This includes $5 million for the Habitable Worlds Observatory.
- **Heliophysics:** Proposes $419.6 million, a $455.2 million or 52 percent decrease. This includes $73 million for space weather, $101 million for the Living With a Star (LWS) program and $37 million for heliophysics research.

- **Biological and Physical Sciences**: Proposes $25 million, a $61 million or 71percent decrease. This includes $5 million for space-based quantum research.

The White House proposes to terminate over 40 “low-priority” science missions but does not specify which missions, except for the Mars Sample Return and SERVIR.

For more information: NASA FY27 Budget Request [18].

Department of Justice (DOJ)
Proposes $40.8 billion, a $3.8 billion increase, for DOJ in FY27.

- Proposes consolidation of DOJ’s grantmaking programs, including the Office of Community Oriented Policing Services (COPS), the Office of Justice Programs (OJP) and the Office on Violence Against Women (OVW), into a single grants office called the Bureau of Justice Grants (BJG).
- Proposes $22 million, level funding, for the National Institute of Justice (NIJ) and $33 million, level funding for the Bureau of Justice Statistics (BJS).
- Proposes a $1.2 billion decrease for state and local grant programs.

For more information: DOJ FY27 Budget Request [19].

Environmental Protection Agency (EPA)
Proposes $4.2 billion, a $4.6 billion or 52 percent decrease, for the EPA in FY27.

- Proposes $508.4 million, a $235.8 million or 32 percent decrease, for EPA’s Science & Technology (S&T) account.
- The request does not address major EPA extramural research programs, such as the Science to Achieve Results (STAR) program.
- Proposes $2.504 billion, a $610.3 million decrease, for the Environmental Programs and Management account.
    - Proposes to eliminate ‘Congressional Priorities’ formerly named Clean and Safe Water Technical Assistance Grants.
- Proposes $202.2 million for AI initiatives at EPA.

For more information: EPA FY27 Budget Request [20].

Department of State
Proposes $35.6 billion, a $15.5 billion or 30 percent decrease, for State in FY27.

- Proposes $215.9 million, a $451 million or 68 percent decrease for Educational and Cultural Exchange Programs.

National Endowment for the Humanities and the Arts (NEH) and (NEA)
Proposes to eliminate the NEH and NEA in FY27.

Department of Veterans Affairs (VA)
Proposes $488.2 billion, a 7.7 percent increase, for the VA in FY27.

- Proposes an additional $8.6 billion for VA medical care at VA medical centers and community partners.
- Proposes an $840 million increase in electronic health record modernization.

- Proposes an additional $77.2 million or 24.5 percent increase for veterans educational benefits programs.

For more information: VA FY27 Budget Request [21].

We understand this budget proposal is concerning to our campuses. Please remember the President's request does not have the force of law. It is the first step in the federal appropriations process, in which Congress has final say on federal spending under Article I of the Constitution. The Federal Relations team is closely monitoring and strategically engaging in the FY27 government funding cycle. Our team is working closely with the CU's President and Chancellors as well as the Colorado congressional delegation and the appropriations committees. Our work last year had a positive impact on CU and we are committed to that work again this year. We encourage you to contact your campus leadership with questions. Please visit the CU System Federal Updates and Actions [22] page for up-to-date communications and federal memos.

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