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

May 2, 2025 by Natalie Barry [2]

Dear Colleagues,

The White House released a preliminary version of the <u>President's Fiscal Year (FY) 2026</u> <u>Discretionary Budget Request [3]</u> to Congress today. The request offers some details on the administration's funding priorities for the next fiscal year, which begins on Oct. 1, but does not elaborate on investment levels for all agencies or programs. The White House is expected to release a full budget request with detailed spending proposals at the program level later this month.

Overall, the "skinny" budget proposal seeks to reduce non-defense discretionary funding by \$163 billion (23 percent) to \$601 billion, including in areas like higher education and scientific research. One of the few areas the budget seeks to sustain current research funding is in the areas of artificial intelligence and quantum science. The proposal seeks to boost defense spending to \$1.011 trillion, a 13 percent increase. It also seeks to eliminate several agencies, including the National Endowment for the Humanities, National Endowment for the Arts, Institute of Museum and Library Sciences, Corporation for Public Broadcasting and more.

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. Over the course of the next five months, lawmakers will write appropriations bills, convene public hearings and cast votes on the 12 annual funding bills. Notably, federal funding bills are subject to the Senate's 60-vote threshold and require bipartisan support to become law, unlike budget reconciliation. CU is already actively participating in this process, championing our funding priorities with the Colorado congressional delegation, urging members to sign funding support letters, meeting with appropriations committee staff among other advocacy.

Reactions to the President's proposal from congressional appropriations leaders have been diverse. Sen. Susan Collins (R-ME), who chairs the Senate Appropriations Committee, <u>said</u> [4] she has "serious objections" to the President's proposals to eliminate biomedical research programs and TRIO grants. Collins also emphasized the request "is simply one step in the annual budget process." Sen. Patty Murray (D-WA), vice chair of the Senate Appropriations Committee, <u>said</u> [5] she will work with her congressional colleagues to "firmly reject" the proposal. In the House, Rep. Tom Cole (R-OK), who chairs the House Appropriations Committee, <u>said</u> [6] he will "target resources where they are needed most" through upcoming hearing and markups of funding legislation. Rep. Rosa DeLauro (D-CT), ranking member of the House Appropriations Committee, released a <u>statement</u> [7] strongly objecting to the proposal.

The national higher education associations, including <u>APLU</u> [8], <u>AAU</u> [9], and <u>AAMC</u> [10], released statements of concern about the budget's proposed cuts to research and higher education programs. CU will work with the national associations, other universities, our stakeholders and community partners and – of course – the Colorado congressional delegation to advocate against harmful cuts to public research universities and emphasize the strategic importance of these investments to people and communities across the U.S. and the world.

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

Department of Education

- Proposes to eliminate:
 - Federal TRIO and GEAR UP programs;
 - Supplemental Educational Opportunity Grants;
 - Fund to Improve Postsecondary Education;
 - Teacher Quality Partnership programs;
 - o Child Care Access Means Parents in School program; and
 - Title III Strengthening institutions program.
- Proposes a \$980 million reduction for Federal Work Study.
- Proposes a \$49 million reduction for the Office of Civil Rights.
- The proposal does not specify funding levels for the Institute of Education Sciences or Title VI international education programs.
- Secretary of Education Linda McMahon released this statement [11] on the proposal.

Department of Health and Human Services (HHS)

- Make America Healthy Again (MAHA) initiative
 - Proposes \$500 million for the President's MAHA initiative, which would allow the Secretary to tackle nutrition, physical activity, healthy lifestyles, over-reliance on medication and treatments, the effects of new technological habits, environmental impacts, food and drug quality and safety across HHS.
 - Calls for the creation of Administration for a Healthy America, which will combine the Health Resources and Services Administration (HRSA), Substance Abuse and Mental Health Services Administration (SAMHSA), Agency for Toxic Substances and Disease Registry (ATSDR), National Institute for Occupational Safety and

Health (NIOSH) and the Office of the Assistant Secretary for Health (OASH).

- National Institutes of Health (NIH)
 - Proposes a \$17.965 billion (38 percent) reduction for NIH, of NIH's allocation, \$27 billion would be required to go to research grants.
 - Proposes to combine several institutes into five new focus areas: the National Institute on Body Systems Research, the National Institute on Neuroscience and Brain Research, the National Institute of General Medical Sciences, the National Institute of Disability Related Research and the National Institute on Behavioral Health.
 - Proposes to eliminate the National Institute on Minority and Health Disparities, the Fogerty International Center, the National Center for Complementary and Integrative Health and the National Institute of Nursing Research.
 - The new proposed NIH structure would retain the Advanced Research Projects Agency for Health.

HRSA programs

- Proposes a \$1.732 billion reduction for HRSA programs. This includes:
 - \$74 million for education and training program with the Ryan White HIV/AIDS activities.
 - \$1 billion for Health Workforce Development programs within the Bureau of Health Workforce.
 - \$274 million for Maternal and Child Health Program that are deemed "duplicative of other Federal programs or could be addressed through block grant funding."
- Centers for Disease Control and Prevention (CDC)
 - Proposes a \$3.588 billion reduction in discretionary spending for CDC.
 - Proposes to consolidate funding for Infectious Disease and Opioids, Viral Hepatitis, Sexually Transmitted Infections and Tuberculosis programs into one grant program funded at \$300 million.
 - Proposes to eliminate: National Center for Chronic Diseases Prevention and Health Promotion, National Center for Environmental Health, National Center for Injury Prevention and Control, the Global Health Center, Public Health Preparedness and Response and the Preventive Health and Human Services Block Grant.
- Other HHS Agencies:
 - Proposes \$1.065 billion reduction for SAMHSA.
 - Proposes a \$129 million reduction for Agency for Healthcare Research and Quality (AHRQ) programs.
 - Proposes to eliminate the Administration for Strategic Preparedness and Response (ASPR) Hospital Preparedness Program.

National Science Foundation (NSF)

- Proposes a \$5.2 billion (56 percent) reduction to the NSF, comprised of the following:
 - \$3.479 billion to General Research and Education to eliminate funding for programs on "climate; clean energy; woke social behavioral and economic sciences; and programs in low priority areas of science;"
 - \$1.13 billion to NSF Broadening Participation programs, including elimination of all diversity, equity and inclusion programs.
 - \$93 million to Agency Operations and Awards Management.

Department of Commerce

- National Institute of Standards and Technology (NIST)
 - Proposes a \$325 million reduction to NIST.
- National Oceanic and Atmospheric Administration (NOAA)
 - Proposes a \$1.3 billion reduction to NOAA, including:
 - \$1.311 billion for NOAA Operations, Research and Grants, including terminating "climate-dominated research, data, and grant programs;"
 - \$209 million for NOAA Procurement of Weather Satellites and Infrastructure, including cancelling contracts for instruments designed for "unnecessary climate measurements."
 - The proposal does not specify funding levels for NOAA's Cooperative Institutes (CIs). CU Boulder operates the <u>Cooperative Institute for Research</u> <u>In Environmental Sciences</u> [12] (CIRES), the oldest and largest CI in the national network.

Department of Defense (DoD)

- Proposes an additional \$113.3 billion (13 percent) increase for DoD.
- Prioritizes DoD investments to strengthen the safety, security, and sovereignty of the homeland, deter Chinese aggression in the Indo-Pacific and revitalize the U.S. defense industrial base.
- The DoD budget also proposes to:
 - Support DoD space programs.
 - Modernize the Nation's nuclear deterrent.
 - Expand U.S. shipbuilding capacity by investing in America's shipyards and industrial base, increasing wages and modernizing infrastructure.
 - Make a down payment on the development of the "Golden Dome for America."

National Aeronautics and Space Administration (NASA)

- Proposes \$18.8 billion for NASA, a \$6 billion (24 percent) reduction. This would constitute the biggest single year cut to NASA funding in American history, <u>according</u> [13] to the Planetary Society.
- Prioritizes Human Space Exploration, proposing over \$7 billion, an increase of \$647 million. This includes \$1 billion in new investments for Mars-focused programs.
- Deprioritizes NASA science programs, including via the following proposed reductions:
 - \$2.265 billion for Space Science by reducing "lower priority research" and eliminating "unaffordable missions" like the Mars Sample Return mission.
 - \$1.134 billion for Mission Support.
 - \$1.161 billion for Earth Science, including eliminating funding for "low-priority"

- climate monitoring satellites" and restructuring the Landsat Next mission.
- \$879 million for Legacy Human Exploration Systems.
- \$531 million for Space Technology by scaling back or eliminating technology projects that are not needed or "better suited" to the private sector.
- \$508 million for the International Space Station.
- \$346 million for Aeronautics.
- \$143 million for the Office of STEM Engagement, noting "NASA will inspire the next generation of explorers through exciting, ambitious space missions, not through subsidizing woke STEM programming and research."

Department of Energy (DOE)

- Proposes a \$4.7 billion (9 percent) reduction for DOE, including:
 - \$2.5 billion for the Office of Energy Efficiency and Renewable Energy, which funds and oversees the National Renewable Energy Laboratory (NREL) in Golden, CO.
 - \$1.148 billion for the Office of Science, while maintaining support for highperformance computing, AI, quantum, fusion and critical minerals.
 - \$260 million for the Advanced Research Project Agency-Energy (ARPA-E).
 - \$408 million for the Office of Nuclear Energy.
 - \$270 million for the Office of Fossil Energy.
 - \$389 million for Environmental Management.
 - \$15.247 billion in Infrastructure Investment and Jobs Act funding.

Department of Interior

 Proposes a \$564 million reduction to U.S. Geological Survey (USGS) Surveys, Investigations, and Research programs, including eliminating grant programs to universities that "duplicate" other federal research programs. The proposal does not specify funding levels for USGS's national network of Climate Adaptation Science Centers. CU Boulder operates the North Central Climate Adaptation Science Center [14] (NC CASC), which serves Colorado, Wyoming, Montana, North Dakota, South Dakota, Kansas and Nebraska.

Environmental Protection Agency (EPA)

- Proposes the following decreases:
 - \$235 million for the Office of Research and Development.
 - \$100 million for Environmental Justice programs.
 - \$2.46 billion for Clean and Drinking Water State Revolving Loan Funds.
 - \$1.006 billion for state and local grants via Categorical Grants programs.
 - \$254 million for EPA's Superfund program.
 - \$100 million for the Atmospheric Protection Program.
 - \$90 million for Diesel Emissions Reduction Act grants.

Department of State

- Proposes a \$49.1 billion (83 percent) decrease.
 - Seeks to eliminate the United States Agency for International Development (USAID), Educational and Cultural Exchange programs, Global Health Programs/Family Planning programs and Humanitarian Assistance (IHA)

programs.

Department of Veterans Affairs (VA)

- Proposes a \$5.4 billion increase. The following are increases and reductions:
 - \$3.3 billion additional for VA medical care at VA medical centers and community partners;
 - \$2.2 billion increase in electronic health record modernization;
 - \$493 million less for VA Information Technology Systems; and
 - \$37 million less for general VA Administration.

We understand this budget <u>proposal</u> is concerning to our campuses, especially during this time of uncertainty at the national level. As we mentioned at the top of this email 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 FY 2026 government funding cycle. Our team is working closely with the President and Chancellors as well as the Colorado congressional delegation. We encourage you to contact your campus leadership with questions. Please visit the <u>CU System Federal Transition Updates</u> [15] page for up-to-date communications and federal memos.

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Federal Transition Updates [16]

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