

# Federal budget and policy developments

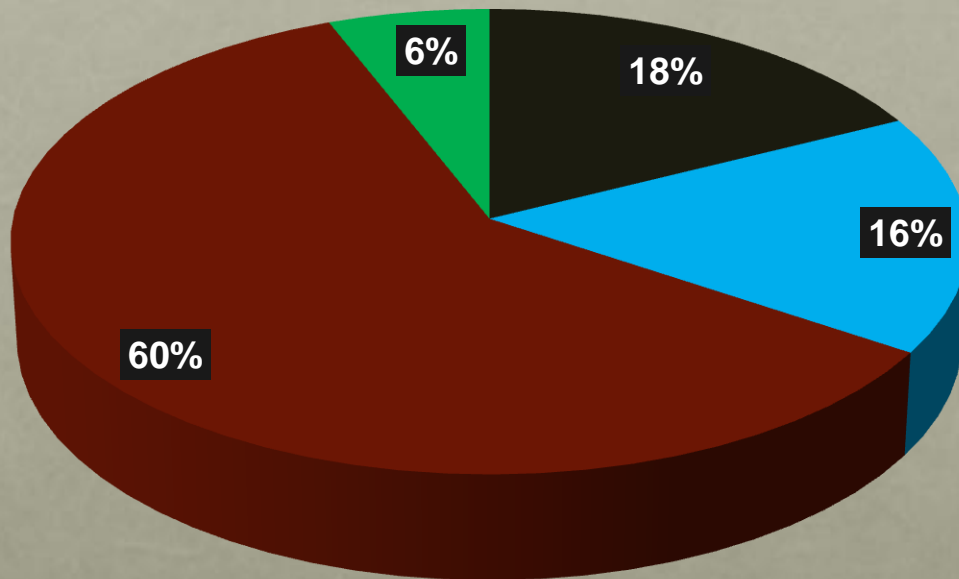
A briefing for the  
national association of  
marine laboratories  
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HOUSE  of CARDS

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# Federal Budget at a Glance



- Defense Discretionary
- Non-Defense Discretionary
- Social Safety Net Payments
- Interest on the Debt

# Federal Discretionary spending -- Where is it headed

*(if we don't have more sequesters in the outyears)*



# NAML Policy Priorities for Ocean, Coastal and Great Lakes Research, Infrastructure, and Education

- **Maintain strong support for competitive, merit-based ocean, coastal, and Great Lakes research, infrastructure and education programs at relevant federal agencies.**
- **Strengthen the infrastructure of marine laboratories to better integrate the environmental data networks into federal information and observing system networks to achieve cost effective science-based decision making to better manage marine, coastal and Great Lakes ecosystems and related resources.**
- **Implement an innovative and cost-saving national partnership program to co-locate federal scientists and federal research infrastructure initiatives at NAML sites and facilities.**
- **Preserve a diverse, distributed ocean science education agenda supported by multiple ocean research agencies including mission agencies such as NOAA, NASA and EPA.**

# What Happened and Where are We?



- **FY 2012 Recap**

- Lowered caps on the amount of money that could be spent through the appropriations process – first of ten years of caps (FY2012-2021) as established by the Budget Control Act

## **FY 2013 Recap**

- Federal agencies' budgets were finalized six to eight months into the fiscal year.
- Agencies were forced to take between 5% and 8% across the board automatic reductions – the FY13 “sequester”
- On average agencies' budgets cut by an average of 5.5% from the FY 2012 level and 34% below the FY 2009 level.
- However, mission or operational agencies used whatever flexibility they had to protect their staff and their in-house facilities and operations – which led to even greater reductions to in new or ongoing grants, contracts and procurements in the final quarter of the fiscal year.

## **FY 2014**

- In December 2013, Congress and the White House reached an agreement to revise total spending limits for FY2014 and FY2015. They also eliminated any sequester for FY 2014 and FY 2015.
- Possibility of sequesters in FY 2016 and beyond are still on the table.
- In January 2014, House and Senate Appropriations Committees agreed on specific agency and program funding levels for FY 2014 and passed the omnibus appropriations act for FY 2014.
- Agencies are now developing detailed spending plans based on the funding provided to them in the omnibus appropriations act.
- December budget agreement provides stability for the next two years and a first step toward modest growth in both defense and non-defense spending.

# What Do We Know about FY14 Funding for major Naml interests?



- NSF research is almost 5% above FY13 (after the sequester is factored in) and 1% above the FY12 level – funding for GEO and BIO for FY14 still under development within NSF. Concerned that increasing costs for facilities will impact core research funding.
- NOAA – OAR is up by 13% above the FY13 level; however climate research is down 11% while ocean, coastal and Great Lakes research is up over 50% from FY 13 – climate research is down 11% and weather and air chemistry research is up by over 25% from FY13.
- NOAA – NOS – went from \$442.6M in FY13 to \$471.9M in FY14;
- NOAA – NMFS – went from \$777M in FY13 to \$822M in FY14; Restores Prescott program;
- NASA – Science (overall) is up 8% from the FY13 sequester level. Within that level, earth science is up 10% from the FY13 sequester level.
- EPA – Science and Technology – drops from nearly \$800M to \$759M but does restore Beach program
- Take home message: It looks like the bleeding may have stopped (in most but not all places) – but growth is a long way off.

# What Happens Next and what are we doing about it?



- **Monitoring agencies' development of their internal FY14 spend plans. FY 2015 Administration budget request to be released starting this week;**
- **Will the November elections cause the FY15 appropriations process to grind to a halt? Are we looking at a continuing resolution in October to last until at least the November elections are over? What happens if the Republicans take the Senate back and keep the House? What does that mean for FY15?**
- **Continue to reach and educate – the committees and subcommittees that oversee ocean, coastal and Great Lakes issues -- are set to see some major changes in leadership next year.**
  - **Senate Commerce Committee: Senator Rockefeller may be replaced by Sen Nelson;**
  - **House CJS Appropriations Subcommittee: Rep Frank Wolf is retiring;**
  - **If Republicans take over the Senate, then Senator Shelby could gain chairmanship of Senate Appropriations, Senator Thune could gain chairmanship of Senate Commerce, and Senator Enzi could gain chairmanship of Senate HELP committee.**
- **Must continue to reach and educate Administration officials – new faces at OSTP on energy/environment and ocean issues; new faces at OMB for NOAA programs; new NSF Director expected to be confirmed soon; relatively new Assistant Director for Geosciences, new division director for OCE; search for new Assistant Director for Biological Sciences etc.**
- **Continued engagement on overall research /education issues – FIRST bill; Weather Forecast Improvement Act; Appropriations Subcommittee engagement – NSF and NOAA issues; Continue outreach to OSTP, OMB, in addition to the continued nurturing of relationships with NSF, NOAA, and NASA.**