Public Policy Briefing: Context, Challenges, and Opportunities

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Outlook for FY 2013/2014

- FY2012 spending cap: $1.044 trillion
- FY2013 spending cap: $1.047 trillion (+0.4%)
- FY2014 spending cap: $1.066 trillion (+1.8%)

- Continuing Resolution (CR) for October 2012 through March 2013 at 0.6% above the current rate of operations (FY2012 levels)
- CR’s cause delays in obligations and new starts
- Threat of sequester may compound delays now in October as agencies hold back funds to offset January 2, 2013 cuts.
Sequestration Effects on Federal Spending

- **January 2013:** Automatic, across-the-board cuts (sequestration) of discretionary spending totaling $110 billion;

- OMB estimates discretionary required cuts of -
  - Security category will be required to take cuts of 9.4%
  - Nonsecurity discretionary spending face a 8.2% cut. As programs are exempted, the hit to DOT, NWS and NSF will grow.

- Extramural budgets may bear brunt of cuts as agencies protect their own salaries and expenses;

- Many on Capitol Hill are talking about a deferring sequestration in legislation passed during the December Lame Duck Congress.
Major Issues Facing the Atmospheric Community

- Uncertainty brought on by budget situation: CR, possible sequester; Impact of possible sequester on both security and domestic programs;

- Elections in November could result in new President, new leadership in agencies, possible major changes in Congressional leadership

- By year’s end: full range of tax cuts expire in Dec, together with sequester in January 2013 sets up a major budget confrontation at the start of new year right after the Presidential election for either lame duck Congress or new Congress in January;
Major Issues Facing the Atmospheric Community

- NSF – achieving a balance between individual investigators, infrastructure and centers, and major interdisciplinary initiatives; Reorganization impacting the Geosciences; Changing the appointment process for membership on the National Science Board;

- NOAA budget now $5 billion per year – with nearly one third for satellite activities; Possible transfer of satellite program to NASA; squeeze NOAA satellites are having on everything else in NOAA; Support for intramural activities vs extramural programs; demise of Climate Service; SAB review of NOAA science portfolio;

- NASA – continuing the balancing act between space science, earth science and operations;

- Both challenges and opportunities face the community that require a focused effort.
Projected Future Funding Environment *Discretionary Spending per Budget Control Act* -- **Opportunity**