

House FY 2007 Funding Resolution Contains Increases for Research, Education Programs

Report prepared by Lewis-Burke Associates, LLC

The long wait for a resolution of the FY 2007 appropriations bills began to unfold this week as the U.S. House of Representatives passed a year-long funding resolution on Wednesday, January 31. H.J. Res. 20, the Revised Continuing Appropriations Resolution, 2007, was introduced by House Appropriations Committee Chairman Dave Obey (D-WI) last night. The resolution provides funding for federal agencies and programs funded in nine of the 11 annual appropriations bills. It totals \$463.5 billion, which is the amount remaining under the budget resolution following the enactment of the Department of Defense Appropriations Act and the Department of Homeland Security Appropriations Act.

The resolution uses the FY 2006 enacted funding level as the base level of funding, and makes adjustments in some areas to fund high priority needs, including several priorities of the research and education communities. There are no Congressionally directed earmarks included in the resolution, but the funding used for earmarks in FY 2006 has been retained by many agencies.

While the Appropriations Committee has provided a summary of the joint resolution (*see attached*) that outlines the additional funding for priority items and its **assumptions** on how the funding will be expended, these assumptions are not in the legislative language, leaving the Administration some flexibility to implement the funding as it sees fit. Upon enactment, agencies would have to submit operating plans within 30 days, detailing how the money will be spent.

The expectation is that the House will pass the funding resolution on Wednesday. The Senate will then turn to the resolution with its ability to debate and amend the resolution without restriction. The hope is that Congress will complete action on the resolution by the expiration of the current CR on February 15.

Of particular interest to the research and education communities are the following adjustments included in the resolution:

National Science Foundation

The National Science Foundation would receive its requested increase of \$335 million for its research account (Research and Related Activities) for a total of \$4.7 billion in FY 2007, an 8 percent increase over the FY 2006 level. Overall, NSF would receive \$5.92 billion, an increase of 6 percent over FY 2006. According to the House Appropriations Committee, this represents a down payment towards enhancing U.S. global competitiveness by investing in basic research. This increase comes on the heels of a substantial and persistent advocacy effort on the part of the research community and industry. NSF's other major programmatic accounts -- Education and Human Resources (which funds K-12, undergraduate, and graduate education programs) and the Major

Research Equipment and Facilities Construction account (which supports the construction and acquisition of unique national research platforms) are to be funded at the FY 2006 enacted level.

Department of Energy Office of Science

The funding resolution would provide an additional \$200 million for the Department of Energy's Office of Science for a total of \$3.796 billion, an increase of 5.6 percent over the FY 2006 funding level of \$3.596 billion. In addition, about \$130 million originally directed toward Congressional earmarks in FY 2006 remains in the FY 2007 funding level without the associated earmarks. The \$200 million increase provided in the resolution coupled with the \$130 million in the base previously used for earmarks, as well as the presumed ability of DOE to shift funding among programs within the Office of Science, should allow DOE to plug holes in facility operations and staffing that were feared under a year-long continuing resolution at FY 2006 levels.

While the additional funding clearly makes DOE's Office of Science a "winner" under the year-long funding resolution, it is interesting to note the higher expectations that many DOE Office of Science advocates had earlier this year, with the Administration requesting an FY 2007 increase of \$500 million (14.1 percent), the House FY 2007 Energy and Water Appropriations bill providing an increase of \$536 million (14.9 percent), and the Senate appropriations bill providing an increase of \$644.63 million (17.9 percent). It should also be noted that in recent weeks, a significant number of Congressional Members advocated for the Office of Science, with 65 House Members and 45 Senators signing on to letters to appropriators asking for funding increases.

Department of Energy, Energy Efficiency and Renewable Energy Resources

The funding resolution would provide an increase of \$300 million, for a total of \$1.5 billion, to DOE's Energy Efficiency and Renewable Energy (EERE) programs, making them a big "winner" in the funding resolution. The programs in this DOE office were part of the President's Advanced Energy Initiative (AEI), which were requested at \$1.2 billion. Both the House and Senate increased these programs above the President's request to between \$1.3 and \$1.38 billion. With the Democratic focus on global warming and renewable energy, these DOE programs fare extremely well in the year-long funding resolution.

The House Appropriations Committee states its intention that the DOE increases would go to new energy technologies, such as cellulosic biomass, and to renewable energy and efficiency programs. However, as stated, the assumptions are not specified in the actual legislative language, giving the Administration some latitude in allocating the funding.

National Aeronautics and Space Administration

The funding resolution would provide an additional \$354 million for NASA's Science, Aeronautics, and Exploration account for a total of \$10.075 billion, or 3.6 percent above

the FY 2006 level, but still \$449 million below the Administration's FY 2007 budget request. The primary recipients of this increase are Aeronautics, which would receive \$890 million for aeronautics research, an increase of \$166 million above the Administration's request and \$6.3 million above FY 2006 levels; and Exploration Systems, which would receive \$3.401 billion, a decrease of \$928 million below the Administration's request but \$351 million above FY 2006 funding levels. The latter would fund some of the priorities of the President's Vision for Space Exploration.

On the other hand, the Science Mission Directorate would receive \$5.251 billion, which is \$79 million below the Administration's request and \$3 million below FY 2006 funding levels. Late last year the community was hopeful that NASA science would benefit from an effort by Senators Mikulski (D-MD) and Hutchison (R-TX) to add \$1 billion to NASA overall. However, that effort was put on hold following the November elections.

The resolution would also provide Exploration Capabilities (which includes the Shuttle program and the International Space Station) with \$6.140 billion, \$95 million below the Administration's request and \$765 million below FY 2006 levels.

National Oceanic and Atmospheric Administration

The National Oceanic and Atmospheric Administration (NOAA) is funded in the continuing resolution at the FY 2006 enacted level of \$3.7 billion. For NOAA this is good news overall because the FY 2006 level is about \$200 million more than the FY 2007 request proposed by the Administration. In addition, NOAA will have a fair amount of discretion in allocating these funds among its line office and programs since there no detailed Congressional report language or earmarks for NOAA as is usually the case.