

## Report for SURA Board of Trustees Meeting \* April 7-8, 2008

The two-phased Congressional budget cycle has commenced: first, the FY 2008 appropriations bill passed, was signed, and is now being implemented. Second, Congress is considering the Administration's FY 2009 budget for funding the 13 federal agencies.

However, as in the past 5 years of the war in Iraq, a third budget activity is underway: Congress must consider a significant budget supplement to fund Defense Department activities in Iraq and Afghanistan – which has possibilities of being expanded beyond that focus.

The **FY'08 budget** has raised serious concerns for key agencies:

NSF received only a 2.5% increase, which has resulted in cutbacks in R&RA (support for researchers) as well as reduced support for other major research projects. The agency is dealing with this budget shortfall by delaying the implementation of several competitive programs in the Office for Cyberinfrastructure, and limiting the support for several of the Major Research Equipment (MRE) initiatives. It should be noted that the appropriations process originally provided for an 8.8% increase, before the final standoff with the President on staying within his appropriations proposals.

DOE's Office of Science faces a minimal 3.5% increase after previous years of limited project support. Thus, there are cutbacks in laboratory research programs, and the potential for staff furloughs has emerged. The initial appropriations process provided for 15.4% increase for the Office for Science, which Congress indicated was to be "catch-up" for recent past budget shortfalls. (A major distinction between NSF and DOE is that with the Laboratory system, DOE directly supports employees while NSF supports researchers and jointly supports most research projects.)

Despite all expectations for a solid increase in the FY'08 appropriations for NSF, DOE, Dept of Ed and other agencies involved in R&D, last minute wrangling with the Administration resulted in flat or very low increases. Few agencies – other than the Defense Dept, Homeland Security and other programs tied to health – received any increases. This leaves NSF operating at a bare bones level, and DOE cutting staff in some areas in the Laboratories.

### **FY'09 Budget:**

The FY'09 request contains significant increases for the R&D programs – some as high as 16%. Will these promising numbers be achieved in a year when there is a Presidential election, and much contention over earmarks between the Congress and the President? Predictions for the FY'09 budget suggest that we will see either a Continuing Resolution (containing the same numbers as FY'08) or an Omnibus Bill (where most agencies receive the same funding while a few receive increases).

### **Supplemental Budget:**

In addition to funding war activities in Iraq and Afghanistan, a major effort is underway to insert additional support for NSF and DOE into the supplemental budget. This effort is being led by Senators Bingaman (D-NM) and Alexander (R-TN). This is a concerted effort to bring funding for both agencies within the parameters of the authorization levels passed by Congress for the COMPETES Act of 2007, wherein the President and the Congress concurred that funding for basic research should be doubled. The proposal is to add \$600M to the Budget Resolution for the President's FY'09 request. This would provide for an immediate bump up in the budgets' of both Agencies.