March 9, 2012

To the Members of the California Delegation:

I write to share with you the University of California’s FY 2013 priorities for discretionary spending programs important to our mission as a public research university. The University requests your support for these programs which are vital to UC’s efforts to advance scientific and technological innovation, expand educational opportunities for Californians, provide exceptional health care and train world-class health professionals.

With the federal government as a key partner, the University of California contributes to economic growth, creates jobs, pursues research that leads to new industries and companies, and educates our future workforce.

UC recognizes that these are challenging economic times and policymakers will have to make a number of difficult decisions throughout the FY 2013 budget process. The University believes it is critical that our country continue to make strong investments in education, healthcare, and research that allow institutions, like UC, to continue to educate the next generation of workers, provide quality healthcare and advance scientific discoveries that will put California and our nation back on the path to economic prosperity.

Thank you for your continued support for the University of California. The priorities outlined in the attached document are listed by appropriation subcommittee for your consideration. If you have any questions, please contact me at the UC Office of Federal Government Relations at (202) 974-6319.

Sincerely,

Gary Falle
Associate Vice President

cc: President Yudof
Chancellors
SVP Dooley
Provost Pitts
Lab Directors
# University of California FY 2013 Appropriations Priorities

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Agriculture and Food Research Initiative (AFRI)

UC Request: $325 million
FY 2013 Budget Request: $325 million
FY 2012 Enacted: $264.5 million

UC supports the FY 2013 Budget Request of $325 million for the USDA Agriculture and Food Research Initiative (AFRI). As USDA’s flagship competitive research program, AFRI funds cutting-edge research at land grant universities, including UC, to address priority issues such as human nutrition and health, agricultural sustainability, renewable energy and biofuels, water supply, and air and water quality.

California researchers successfully competed for 58 AFRI competitive grants during FYs 2009-2011. UC scientists typically receive 10-15 percent of total USDA competitive research funds awarded annually.

Expanded Food and Nutrition Education Program (EFNEP)

UC Request: $68 million
FY 2013 Budget Request: $68 million
FY 2012 Enacted: $68 million

UC supports the FY 2013 Budget Request of $68 million for the USDA Expanded Food and Nutrition Education Program. EFNEP is a highly successful educational program that delivers “hands-on,” practical lessons on food, nutrition and healthy lifestyles to needy families. National studies show that for every $1 invested in this Cooperative Extension program, up to $10.64 is saved in current and future healthcare costs for “at risk” populations.

In California, 83 percent of participants enroll in one or more food assistance programs, 70 percent of families have incomes below the poverty level, and 73 percent of participants identified themselves as Hispanic or Latino.

USDA Crop Protection Program

UC Request: $29.1 million
FY 2013 Budget Request: $29.1 million
FY 2012 Enacted: $32 million

UC supports $29.1 million for the newly consolidated Crop Protection Program to respond to pest management challenges with coordinated regional and national research, education and extension programs using integrated approaches. A leader in pest control and pest management methods, UC administers a statewide Integrated Pest Management (IPM) program that develops and promotes the use of integrated and ecologically sound programs to solve pest problems while protecting California’s agricultural crops. For example, the first U.S. appearance of the European grapevine moth was found in California’s Napa Valley. UC Research and Cooperative Extension programs provided an aggressive treatment that resulted in the decline of the moth’s population from 100,000 to only 1,000 in one generation with no reported crop damage in 2010.
Hispanic Serving Agricultural Colleges and Universities (HSACUs) Endowment Fund and the Hispanic Serving Institutions Education Grants Program (HSIEGP)

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UC supports the FY 2013 Budget Request of $10 million for the HSACUs Endowment Fund and $9.2 million for the Hispanic Serving Institutions Education Grants Program. These programs aim to inspire Hispanic students to enter the food and agricultural sciences. UC Riverside and UC Merced are federally designated as Hispanic Serving Agricultural Universities and strive to increase the enrollment of low-income and minority populations in the science, technology, engineering, and mathematics (STEM) fields.

Sustainable Agriculture Federal-State Matching Grant Program

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UC supports the FY 2013 Budget Request of $3.5 million for a new Sustainable Agriculture Federal-State Matching Grant Program. Since 1987, UC has been a research innovator and national leader in developing and delivering sustainable agricultural practices for the benefit of small and large-scale growers throughout the western U.S. UC would be a strong competitor in this matching fund program, which would help American agriculture evolve into a more highly productive, sustainable and economically-viable system.

Food Animal Residue Avoidance Databank (FARAD)

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UC supports an FY 2013 funding level of $1 million for the Food Animal Residue Avoidance Databank. Last year, Congress provided $1 million for this important authorized program, which is critical to maintaining consumer confidence in the food system in California and the nation. FARAD is a computer-based decision support system designed to provide livestock and feed producers, veterinarians and regulators with practical information on ways to eliminate drug, pesticide and environmental contaminant residue problems in animal agriculture. Currently there are no other programs that provide the services of FARAD.

NIFA Minor Use Animal Drug Program

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UC supports an FY 2013 funding level of $1 million for peer-reviewed research grants under the NIFA Minor Use Animal Drug Program. This program identifies animal drug needs for minor species and minor uses in major species, and generates and disseminates data for safe and effective therapeutic applications. The program also facilitates the U.S. Federal Drug Administration Center for Veterinary Medicine approvals for drugs identified as a priority for minor species or minor use.

While small, this vital program helps assure a safe and wholesome food supply for U.S. consumers and helps U.S. animal
producers to compete in the global marketplace. Annual U.S. gross farm gate income from production of specialty animal species is estimated to be more than $4.8 billion, which in turn supports an estimated $37 billion in U.S. GDP. UC researchers compete successfully in this program.

**NIFA Water Quality Integrated Activities**

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UC supports an FY 2013 funding level of $4.5 million for Water Quality Integrated Activities within NIFA. Congress provided $4.5 million in funding in FY 2012, however, the President’s Budget Request proposes no funding in FY 2013. In 2011, this program supported 50 UC Cooperative Extension advisors, 22 specialists and Agricultural Experiment Station (AES) faculty, who conducted 137 projects on water quality and 49 projects on water supply and allocation.

**DEPARTMENT OF AGRICULTURE, MANDATORY SPENDING PROPOSALS**

**Farm Bill Research Initiatives: Specialty Crop Research Initiative, the Organic Agriculture Research and Extension Initiative, and the Biomass Research and Development Initiative**

UC supports the continuation of full funding – authorized and provided through the 2008 Farm Bill – for three research programs important to California:

- Specialty Crop Research Initiative (funded at $50 million in FY 2012);
- Organic Agriculture Research and Extension Initiative (funded at $20 million in FY 2012); and
- Biomass Research and Development Initiative (funded at $40 million in FY 2012).

Each of these programs supports innovative research that benefits specialty crop and organic growers, consumers, the California economy, and the nation’s health and well-being. Funding for specialty crop, organics and biomass research is critical to California’s $37.5 billion agricultural industry. With these funds, UC scientists will continue to help California farmers find new ways to protect crops from pests and diseases, remain economically viable, and provide healthy food for an increasing population. Discussions on a new Farm Bill are underway, and UC urges Congress to continue funding for these initiatives in either the appropriations process or the new Farm Bill.
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

Science Mission Directorate
UC Request: $5.1 billion
FY 2013 Budget Request: $4.9 billion
FY 2012 Enacted: $5.1 billion

UC supports at least FY 2012 level funding for NASA’s Science Mission Directorate, which promotes discoveries that expand our knowledge of the Earth, our solar system and the universe. The FY 2013 Budget Request cuts the Science portfolio funding by $163 million overall, including a reduction of more than $300 million to the Planetary Science account. NASA’s research observatories like the James Webb Space Telescope – the successor facility to the Hubble Space Telescope – enable UC researchers to remain international leaders in astronomy.

In FY 2010, UC researchers were awarded nearly $110 million in competitive NASA awards. Continued University leadership in planetary science (in which we are now experiencing a “Golden Age” of discovery), earth science, astrophysics, and heliophysics could be at risk if current funding levels are not maintained.

Space Grant College and Fellowship Program
UC Request: $45.5 million
FY 2013 Budget Request: $24.0 million
FY 2012 Enacted: $38.9 million

UC supports at least $45.5 million (the FY 2011 level) for the Space Grant Program, which funds a national network of universities and colleges. Space Grant institutions support NASA’s aeronautics and space missions by giving students practical hands-on training in aerospace and related fields, and inspiring students to pursue careers in STEM fields. The FY 2013 Budget Request proposes $24 million, a deep cut for this program.

The California Space Grant Consortium is headquartered at UC San Diego and involves participation from nine of the ten UC campuses, ten California State University campuses, several other universities in the state, plus three NASA centers – 28 affiliates in all. The University of California provides matching funds for Space Grant award recipients, who are key to the program’s K-12 and community college outreach throughout the state.

NATIONAL SCIENCE FOUNDATION (NSF)

National Science Foundation
UC Request: $7.4 billion
FY 2013 Budget Request: $7.4 billion
FY 2012 Enacted: $7.0 billion

UC supports the FY 2013 Budget Request of $7.4 billion for the National Science Foundation (NSF). NSF sponsors the work of educators, researchers, and students across the nation who are solving important scientific and technical challenges, building future economic growth with technological breakthroughs, devising better ways to teach science and math, and pushing back the frontiers of fundamental science through curiosity-driven research. NSF funds about 20 percent of all merit-based university research in every scientific and engineering discipline. The FY 2013 request supports
areas of critical need such as engineering and mathematics (STEM) education, chemistry and material science, earth and space science, and research infrastructure and equipment. Researchers at California institutions receive more NSF funding than in any other state. NSF funding also helps to train and educate the next generation of our highly capable scientific and engineering workforce that will ensure global leadership in discovery and innovation in the years ahead.

NSF-funded research at UC fuels the state’s economy by supporting breakthroughs in biomedicine, physics, chemistry, engineering, economics and other social sciences, information technology, telecommunications and nanotechnology. UC researchers successfully competed for $446 million in NSF research grants in FY 2010, or 8.6 percent of the NSF’s total budget.

Additional programs funded by NSF impacting education research are further discussed in the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies (LHHS) background sheet.

DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST)

National Institute of Standards and Technology

UC Request: $857 million
FY 2013 Budget Request: $857 million
FY 2012 Enacted: $750.8 million

UC supports the FY 2013 Budget Request of $857 million for NIST, including $648 million for Scientific and Technical Research and Services (STRS) and $149 million for Industrial Technology Services (ITS). ITS includes the Manufacturing Extension Partnership, a federal-state-industry program that offers U.S. manufacturers access to technologies, resources and industry experts. In their work with NIST, UC campuses promote U.S. innovation and industrial competitiveness through measurement science, standards, and technology in ways that enhance economic security and improve our quality of life.

UC also supports cross-agency and cross-disciplinary initiatives in the Budget Request to establish a new federal focus on advanced manufacturing and to expand research in smart manufacturing, as well as nano- and bio-manufacturing. Within NIST, such initiatives include the Advanced Manufacturing Technology Consortia Program, a $21 million public-private partnership to develop road maps for long-term industrial research needs and to fund research in university, industry and government labs.

DEPARTMENT OF COMMERCE, NATIONAL OCEANOGRAPHIC AND ATMOSPHERIC ADMINISTRATION (NOAA)

Climate Competitive Research, Sustained Observations and Regional Information Program within NOAA Operations, Research, Facilities (ORF)

UC Request: $145.33 million
FY 2013 Budget Request: $145.33 million
FY 2012 Enacted: $120 million

UC supports the FY 2013 Budget Request of $145.33 million for the Climate Competitive Research, Sustained Observations and Regional Information Program. California relies on the climate, weather and water forecasts developed under this program to produce seasonal and annual management plans for water, agriculture, energy, fisheries and other businesses. The account also funds global ocean observing programs essential for accurate weather forecasting and satellite calibration and validation.

Last June, NOAA and the Western Governors Association signed a Memorandum of Understanding to provide climate
information to western states for disaster risk reduction and coastal and marine management. Unfortunately, this research program took a 20 percent reduction in FY 2012 that will significantly impact the effectiveness of scientific observations, monitoring and modeling that help states manage their infrastructure and natural resources, and to reduce environmental risk and future federal and state costs from weather events, fire, floods and other natural disasters. The U.S. Navy, NASA and other federal agencies also depend on this research program for operational forecasting capabilities for hurricanes, typhoons, drought and other weather events.

Researchers at several UC campuses, including UC San Diego, UC Santa Cruz, UC Irvine, UC Santa Barbara and UC Berkeley compete successfully under this program. Historically, UC institutions have received 10 percent of the funding awarded annually.

**Regional Integrated Ocean Observing System (IOOS) within the NOAA National Ocean Service**

- UC Request: $29.52 million
- FY 2013 Budget Request: $29.52 million
- FY 2012 Enacted: $23 million

UC supports the FY 2013 Budget Request of $29.52 million for Regional IOOS, including $5 million for national surface current mapping, a technology that has proven critical in oil spill response in California and the Gulf of Mexico. Within the request of $29.52 million, UC supports a minimum of $17 million for competitive funding to sustain the national network of regional systems.

The Integrated Coastal and Ocean Observing System Act was enacted in 2009 to address our nation’s need for enhanced ocean observing and forecasting capabilities and timely distribution of information on our oceans, coasts, and Great Lakes. A stable network of regional systems provides for a stakeholder-driven IOOS that addresses the specific needs of coastal and ocean users, including maritime commerce, fisheries, aquaculture, offshore energy, public health and resource managers, coastal communities, and the general public. Several UC campuses are active partners in California’s two regional systems, the Central and Northern California Ocean Observing System (CeNCOOS) and the Southern California Coastal Ocean Observing System (SCCOOS).

**National Sea Grant College Program**

- UC Request: $69 million
- FY 2013 Budget Request: $57.3 million
- FY 2012 Enacted: $63 million

UC supports an FY 2013 funding level of $69 million for the National Sea Grant College Program, which is a national network of 32 university-based programs that work with coastal communities on research and outreach. The California Sea Grant College Program is the largest of the 32 related programs and is administered by the University of California, based at the Scripps Institution of Oceanography at UC San Diego. The program sponsors statewide research and extension programs involving public and private institutions throughout California. The program advances our knowledge of coastal and marine resources, and serves as a key bridge for the transfer of knowledge from researchers to the marine industry and the general public.
DEPARTMENT OF DEFENSE (DOD)

Defense 6.1 Basic Research
UC Request: $2.117 billion
FY 2013 Budget Request: $2.117 billion
FY 2012 Enacted: $2.112 billion

Defense 6.2 Applied Research
UC Request: $4.739 billion
FY 2013 Budget Request: $4.478 billion
FY 2012 Enacted: $4.739 billion

UC requests $2.117 billion for Defense 6.1 Basic Research programs and $4.739 billion for Defense 6.2 Applied Research programs. These programs, which are conducted in the Army, Navy, Air Force and the Office of the Secretary of Defense, fund the bulk of DOD-sponsored research at U.S. universities, are critical to our national security, and support development of new materials and technologies to address increasingly complex military challenges.

Defence research programs support discovery in fields such as the physical sciences, computer science and engineering. UC's research partnerships with the Department of Defense span more than 50 years and have led to breakthroughs in communications, life saving medical technologies and the development of advanced composite materials. Sustained investment in DOD basic research is critical to ensure that UC researchers – and researchers throughout California and the nation – are able to build on these partnerships to ensure the technological superiority of our armed forces.

Defense Basic Research programs also support education and training for students who will become DOD’s future scientific and technological workforce. UC supports the following programs within Defense 6.1 Basic Research, consistent with the FY 2013 DOD request:

- $88 million for the National Defense Education Program, which supports undergraduate scholarships, graduate fellowships, and research awards to exceptionally talented researchers;
- $47 million for the National Defense Science and Engineering Graduate Fellowships program; and,
- $16.5 million for the Minerva Initiative, a social science research program that directly supports military operations through cogent analysis of social, cultural, and political conditions in areas of the world of strategic importance to the U.S.

UC also supports $2.817 billion for the Defense Advanced Research Projects Agency (DARPA), which is equal to the FY 2013 DOD request and includes a $20 million increase over FY 2012 for DARPA 6.1 basic research. Historically, DARPA has invested in high-risk, high-reward research that has led to extraordinary “game-changing” technological advances, such as the Internet and GPS.
DEPARTMENT OF ENERGY (DOE)

Office of Science
UC Request: $4.99 billion
FY 2013 Budget Request: $4.99 billion
FY 2012 Enacted: $4.87 billion

UC supports the FY 2013 Budget Request of $4.99 billion for the Department of Energy Office of Science (OS). UC is a pioneer in physical science, energy efficiency and alternative energy research, and OS funding is critical to achieving the innovations our nation needs to remain internationally competitive. Historically, the University has been very successful in competing for DOE funding. System-wide, UC was awarded nearly $107 million from DOE in FY 2010.

Among the many important initiatives funded by OS are the Energy Frontier Research Centers. For FY 2013 the Administration has requested $100 million to support these integrated, multi-investigator centers, plus $20 million to fund activities that connect their work to DOE’s technology programs, such as the Office of Electricity Delivery and Energy Reliability and the Office of Fossil Energy. UC also supports a $49 million increase in the FY 2013 Budget Request for Fusion Energy Sciences, to remedy harmful cuts proposed for the domestic research program— including an $8 million cut to High Energy Density Laboratory Plasma physics— which could irreparably weaken U.S. leadership in the field of fusion energy research.

Exascale Computing Activities
UC Request: $89 million
FY 2013 Budget Request: $89 million
FY 2012 Enacted: $68.5 million

UC supports the FY 2013 Budget Request of $89 million for Department of Energy exascale computing activities, which includes increased investments in the Office of Science Advanced Scientific Computing Research program. These investments fund hardware, software, critical technologies, mathematical methods, middleware, and science applications focused on the linked challenges of data-intensive science and exascale computing.

Advanced Research Projects Agency – Energy (ARPA-E)
UC Request: $350 million
FY 2013 Budget Request: $350 million
FY 2012 Enacted: $275 million

UC supports the FY 2013 Budget Request of $350 million for ARPA-E. In its first two years of operation, ARPA-E is helping to achieve U.S. leadership in developing clean energy technologies by attracting over $200 million in private follow-on funding for 11 promising research projects. The U.S. clean energy industry holds the potential to transform our nation’s energy landscape. California is well positioned to lead in this effort. Presently, 12 active ARPA-E projects are led by or benefit from the contributions of UC and Lawrence Berkeley National Laboratory researchers.
DEPARTMENT OF HOMELAND SECURITY (DHS)

Science and Technology (S&T) Directorate Research and Development Programs

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Within the S&T Directorate, UC supports the FY 2013 Budget Request of $693.5 million for homeland security research and development, including $40 million for University Programs. The S&T Directorate funds basic and applied research that enables UC and other university researchers to develop advanced technologies and methodologies to protect the nation’s communities, ports, coasts, food supplies, borders and infrastructure from homeland security threats.

In FY 2011, UC researchers were awarded more than $5 million in grants in a number of homeland security research areas, including nuclear detection, food system protection, public health assessment and first responder safety. In addition, the university-based Homeland Security Centers of Excellence support multidisciplinary, collaborative research partnerships among research institutions which contribute to our understanding of the causes, prevention and response to acts of terror. Currently, five UC campuses are affiliated with six DHS Centers of Excellence.
U.S. DEPARTMENT OF INTERIOR, U.S. GEOLOGICAL SURVEY (USGS)

USGS Earthquake Hazards Program
UC Request: $59 million
FY 2013 Budget Request: $59 million
FY 2012 Enacted: $55 million

Global Seismographic Network
UC Request: $5.45 million
FY 2013 Budget Request: $5.45 million
FY 2012 Enacted: $5.3 million

UC supports the FY 2013 Budget Request of $59 million for the USGS Earthquake Hazards Program and $5.45 million for the Global Seismographic Network. The significant and unexpected seismic activity on the East Coast and in the Midwest in the past year underscores the need for effective earthquake preparedness and monitoring tools. Because of the strength of their work in this field, researchers at UC and other California universities have historically been the primary recipients of funding under these programs to analyze and understand the Earth, and in turn, minimize loss of life and property from natural disasters. California communities benefit directly from this work.

USGS Water Resources Research Institutes (WRRI)
UC Request: $9 million
FY 2013 Budget Request: $0 million
FY 2012 Enacted: $6.5 million

UC supports an FY 2013 funding level of $9 million for the Water Resources Research Institutes (WRRI) under the USGS Water Resources Research Act (WRRA) Program, which was eliminated in the President’s FY 2013 Budget Request. Established in 1964, the WRRA Program is the only federally supported research network that focuses on applied water resource research, education, training and outreach. The Act established a network of Water Resources Research Institutes housed at major universities located in all 50 states, including the UC Center for Water Resources at UC Riverside. Funding from the WRRA program helps UC researchers across the state develop solutions to some of California's most costly and difficult water-related problems.

ENVIRONMENTAL PROTECTION AGENCY

Science and Technology Programs
UC Request: $807 million
FY 2013 Budget Request: $807 million
FY 2012 Enacted: $795 million

UC supports the FY 2013 Budget Request of $807 million for EPA Science and Technology (S&T) programs, which support research to protect human health and the environment. One program of particular interest to UC is the Science to Achieve Results (STAR) program, EPA’s primary competitive grants program for extramural research in environmental science and engineering for universities and nonprofit organizations. STAR fellowships provide important support for students pursuing careers in science, technology, engineering and mathematics (STEM) fields, and the
research funded by STAR programs addresses areas of critical relevance to environmental challenges.

In FY 2010, UC successfully competed for more than $13 million in EPA research awards. In 2011, four researchers at three UC campuses – UC Davis, UC Irvine, and UC Riverside – received STAR grants, and 19 UC students on seven campuses are currently named STAR fellows, from a total of 137 recipients nationwide.

NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH)

**National Endowment for the Humanities**

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NEH is the largest federal source for competitive research funding for the humanities, including the study of cultural, social and global issues that affect our nation and the world. NEH grants support the scholarship of many of UC’s brightest students and they leverage significant additional private and foundation dollars to support critical projects, including, outreach efforts in local elementary and secondary schools and meaningful programs in our broader campus communities. Grounding in the humanities is critical to assuring that our graduates are well-rounded and can compete in an increasingly complex and interconnected global economy.
Pell Grants Maximum Award
UC Request: $5,635
FY 2013 Budget Request: $5,635
FY 2012 Enacted: $5,550

UC support the FY 2013 Budget Request to strengthen funding for Pell Grants using mandatory and discretionary dollars, and to increase the Pell Grant maximum by $85. The FY 2013 Budget Request proposes to maintain the FY 2012 discretionary funding level of $22.824 billion for the Pell Grant program, which would provide an appropriated maximum award of $4,860 in the 2012-13 academic year. Combined with the $690 mandatory add-on, the total maximum award for eligible students in FY 2012 is $5,550. In FY 2013, the mandatory add-on will be increased by $85, making the maximum Pell Grant award $5,635 starting on July 1, 2013.

The Pell Grant program is critically important to the more than 72,000 UC undergraduate students who receive this aid. In addition, the University of California provides low-income students with support from a number of other federal, state, and institutional sources, and all UC students contribute to their own cost of education with loans, earnings from work, or savings. Without strong funding for Pell Grants, UC students would have to borrow more, work beyond what is considered manageable, or take longer to complete their degrees. UC students have already been negatively impacted from the elimination of year-round Pell Grants, which enabled low-income students to accelerate their time to degree, so it is imperative that the base Pell Grant program remains robust.

Supplemental Educational Opportunity Grant Program
UC Request: $735 million
FY 2013 Budget Request: $735 million
FY 2012 Enacted: $735 million

Federal Work-Study Program
UC Request: $1.12 billion
FY 2013 Budget Request: $1.12 billion
FY 2012 Enacted: $977 million

UC supports continued funding of the Supplemental Educational Opportunity Grant Program (SEOG) and the increase in Federal Work-Study proposed in the FY 2013 Budget Request. UC supports expansion of the Perkins Loan program to allow more educational institutions to participate and to assist more
low-income students finance their education costs. However, UC does not support elimination of the current Perkins Loan program’s revolving fund, which participating institutions manage and use to make new loans available to eligible low-income students. The Perkins Loan program has had no new federal appropriations in several years, yet UC continues to lend more than $23 million to low-income students every year. Since eliminating the revolving fund would actually cost the U.S. Treasury money, UC would recommend that Perkins Loans be expanded with the cost of the new borrowing offset as the President envisions, but perhaps at a slightly lower level so that institutions currently participating in the Perkins Loan program could continue to lend from their revolving funds.

**TRIO Program**

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**GEAR UP**

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UC supports at least the FY 2013 Budget Request of $839.9 million for the TRIO program and $302.2 million for the GEAR UP program. UC believes the federal investment in these complementary and successful early intervention and academic preparation programs, as well as a broad range of competitive grant programs that promote educational achievement, should be increased. These programs provide early outreach to disadvantaged students to interest them in continued education and assure that they have the necessary supports to apply to college, and receive financial aid. In recent years, these programs have sustained serious funding cuts, and are already underfunded, reaching only a small fraction of the students who are eligible.

**International Education Programs**

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<thead>
<tr>
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<th>FY 2013 Budget Request: $75.73 million</th>
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<tbody>
<tr>
<td>FY 2012 Enacted:</td>
<td>$74.04 million</td>
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UC supports the FY 2013 Budget Request increase of $1.7 million in funding for Title VI programs which focus on increasing global competency of U.S. students, including those from traditionally disadvantaged groups. Title VI program funding supports comprehensive language training; study of world areas and cultures; academic research; curriculum development; and extensive outreach to educational institutions, including K-12; all efforts which promote global competencies for U.S. students and enhance their understanding of peoples around the world. At UC, Title VI programs offer research and expertise through our National Resource Centers that are important tools in serving the nation’s economic, diplomatic, defense, and other national security needs. Title VI programs also enable university collaborations on international issues with federal, state and local agencies, business and industry, and the military. Regrettably, the FY 2013 Budget Request does not restore the large cut made in this important program in previous years. UC remains concerned that if federal funding for Title VI programs is further reduced, our nation’s capacity and expertise in less-commonly-taught languages, research, and study of these areas of the world, is at risk.

**Graduate Assistance Programs**

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<th>FY 2013 Budget Request: $31 million</th>
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<tr>
<td>FY 2012 Enacted:</td>
<td>$30.9 million</td>
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UC supports graduate-level programs administered by the U.S. Department of Education. Federal funding of talented graduate students is a key element in driving excellence and innovation in business, science, academia, and government. The Graduate Assistance in the Areas of National Need (GAANN) and the Jacob K. Javits Fellowship (Javits) Programs support many of the brightest graduate students at UC. Federal funding for graduate assistance programs have had flat funding and cuts in recent years, despite the need—in California and the nation—for highly skilled professionals to assure our nation’s continued competitiveness. A renewed investment in graduate education would increase knowledge and research in critical fields, strengthen the nation’s preeminence in graduate education, and add to U.S. economic well-being, and national security.

Department of Education (USED) Teacher Preparation Programs
The FY 2013 Budget Request proposes a number of program consolidations, repurposing of existing funds, and new programs aimed to improve teacher preparation programs and to recruit and reward high quality teachers. UC supports the Administration’s overall efforts to improve the quality of teaching and learning in K-12 schools. Included in the FY 2013 Budget Request are proposals that would:

- **Eliminate dedicated funding for higher education-based teacher preparation under the Higher Education Act.** UC supports competitive grants to attract proposals for the most innovative and promising reforms, but believes it is critical to keep institutions of higher education, where new knowledge and research are translated into teaching and learning, as partners with school districts to strengthen and improve teacher preparation programs. In this way, elementary and secondary school teachers will have the tools and support they need to succeed in the classroom.

- **Replace TEACH Grants with funding to states that measure the effectiveness of their teacher-preparation programs.** UC supports the Administration’s efforts to improve the quality of teacher preparation programs and would welcome the opportunity to participate in the development of metrics that would help measure quality and value.

- **Focus federal funds on improving the teaching and learning of STEM subjects.** UC supports increased federal funds for competitive awards to partnerships of universities, local schools, and businesses to improve and expand teacher recruitment, preparation, and professional development opportunities in STEM education. In fact, UC’s CalTeach program is one of the models for the programs the Administration would seek to replicate.

### Institute of Education Sciences

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<tr>
<th>UC Request:</th>
<th>$621 million</th>
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<tr>
<td>FY 2013 Budget Request:</td>
<td>$621 million</td>
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<tr>
<td>FY 2012 Enacted:</td>
<td>$594 million</td>
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UC supports the FY 2013 Budget Request of $621 million for the federal investment for the Institute of Education Sciences (IES). The University of California Schools and Departments of Education are major innovators in educational research and are continuously working to increase the knowledge base on teacher effectiveness and the science of learning, while working in K-12 schools to improve the quality of educational practice. As the primary federal agency charged with supporting educational research, IES must direct significant, new resources at rigorous, competitive research opportunities to address the nation’s most pressing education needs, from early childhood to adult education, including increasing the number and quality of math and science teachers, new teacher preparation, and creation of successful professional development models.
DEPARTMENT OF HEALTH AND HUMAN SERVICES, NATIONAL INSTITUTES OF HEALTH (NIH)

National Institutes of Health

UC Request: $32.00 billion
FY 2013 Budget Request: $30.86 billion
FY 2012 Enacted: $30.86 billion

UC supports an FY 2013 funding level of $32 billion for the National Institutes of Health. The FY 2013 Budget Request proposes $30.86 billion in discretionary budget authority for the National Institutes of Health the FY 2012 level. Unfortunately this request is below the rate of Biomedical Research and Development Price Index (BRDPI) of 2.8 percent projected for FY 2013. An increase in NIH funding that is below the estimated rate of inflation (BRDPI) is inadequate if California’s biomedical research industry is to remain a global leader in research innovation and an economic engine helping to stabilize California’s fragile economy.

Adequate and sustained funding for the National Institutes of Health (NIH) is critical to the University of California and our partners in California’s biomedical research industry. In 2011, California institutions successfully competed for $3.2 billion in NIH grants, more than half, approximately $1.8 million, of which were awarded to researchers at the University of California. This essential federal investment enables California’s biomedical research industry to employ slightly more than 267,000 Californians, many of whom are either working on a UC campus or employed by biomedical research companies associated with a UC research center.

Additional programs funded by NIH impacting education research are further discussed in the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies (LHHS) background sheet.

Educational Research Programs

National Science Foundation (NSF), Education and Human Resources Directorate (EHR) – Education Research

UC Request: $876 million
FY 2013 Budget Request: $876 million
FY 2012 Enacted: $829 million

National Institute for Child Health and Development (NICHD) – Education Research

UC Request: $1.38 billion
FY 2013 Budget Request: $1.38 billion
FY 2012 Enacted: $1.32 billion

National Institute for Mental Health (NIMH) – Education Research

UC Request: $1.55 billion
FY 2013 Budget Request: $1.55 billion
FY 2012 Enacted: $1.48 billion

UC supports the FY 2013 Budget Request increases in the above accounts to continue the critical education research that results in improved teaching and learning in K-12 classrooms. Scientific research that helps our understanding of teaching and learning, as well as human and child development, and behavioral and environmental factors that affect learning, is also funded at the University of California through the National Science Foundation (NSF) Education and Human Resources Directorate (EHR), the National Institute for Mental Health (NIMH), and the National Institute for Child Health and Development (NICHD).
DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA)

Health Resources and Services Administration, Title VII Health Professions Training
UC Request: $268.2 million
FY 2013 Budget Request: $228.1 million
FY 2012 Enacted: $268.2 million

UC supports an FY 2013 funding level of $268.2 million for the Health Resources and Services Administration (HRSA) Title VII Health Professions Training. The FY 2013 Budget Request proposes $228 million for HRSA’s Title VII health professions programs, a $40.1 million (14.9 percent) cut below FY 2012 actual. The FY 2013 Budget Request includes an expected transfer of $10 million from the Prevention and Public Health Fund (PPHF), and $15 million in transfers from the Public Health Service Evaluation Tap. The request proposes to eliminate funding for the Title VII Health Careers Opportunity Program (HCOP) diversity pipeline program and the Area Health Education Centers (AHEC) program.

UC operates the largest health sciences and medical training program in the country with over 12,000 students. The Title VII medical education training and loan programs are critical sources of financial support for many of UC’s students and physician faculty as they are the only federal programs designed to educate providers in interdisciplinary settings to meet the needs of special and underserved populations as well as increase minority representation in California’s healthcare workforce. In FY 2011, California received approximately $20.8 million in Title VII funding, of which the University of California successfully competed for $11.9 million or almost 60 percent of all funds awarded to the state.

As Congress considers strategies designed to address the key issues confronting our nation’s healthcare system - including workforce development - the University asks for support for level funding at $268.2 million for the Title VII health professions training programs. The University also supports full restoration of funding for the Title VII Health Careers Opportunity Program (HCOP) diversity pipeline program and the Area Health Education Centers (AHEC) program.

Health Resources and Services Administration (HRSA), Title VIII Nursing Workforce Development
UC Request: $251.1 million
FY 2013 Budget Request: $251.1 million
FY 2012 Enacted: $231.9 million

UC supports the FY 2013 Budget Request of $251.1 million for the Health Resources and Services Administration (HRSA) Title VIII Nursing Workforce Development. The FY 2013 Budget Request represents a substantial investment, a $19.2 million (8.3 percent) increase over FY 2012 enacted funding, in nursing programs and provides a much needed infusion of funds into states, like California, which are currently experiencing a nursing crisis (California is expected to need an additional 74,000 nurses by 2020.) The University applauds the budget request’s continued support for nursing education programs in these tough economic times.

HRSA’s Nursing Workforce Development Programs (authorized under Title VIII of the Public Health Service Act) provide training for entry-level and advanced degree nurses to improve the access to, and quality of, healthcare in underserved areas. These programs provide the largest source of federal funding for nursing education, providing loans, scholarships, traineeships and programmatic support to over 50,000 nursing students and nurses in FY 2011. In FY 2011, California received approximately $7.3 million in Title VIII funding. Of that amount, the University of California received over $3.3 million of the funds awarded to the state.
DEPARTMENT OF HEALTH AND HUMAN SERVICES, CENTERS FOR DISEASE CONTROL

National Institute for Occupations Safety and Health (NIOSH) Education and Research Centers (ERCs)
UC Request: $24.321 million
FY 2013 Budget Request: 0
FY 2012 Enacted: $24.321 million

National Institute for Occupations Safety and Health (NIOSH) Agriculture, Forestry and Fishing Program (AFF)
UC Request: $22 million
FY 2013 Budget Request: 0
FY 2012 Enacted: $22 million

UC supports an FY 2013 funding level of $24.321 million for the National Institute for Occupational Safety and Health (NIOSH) Education and Research Centers (ERCs) and $22 million for the NIOSH Agriculture, Forestry and Fishing Program (AFF). The FY 2013 Budget Request proposes a program level of $249.4 million in funding for the National Institute for Occupational Safety and Health. However, the budget request eliminates funding for the NIOSH ERCs and the AFF program. The ERCs received $24.321 million and the AFF received $22 million in FY 2012, and UC requests that both of these accounts receive at least the FY 2012 level funding in FY 2013.

The University of California operates two of the nation’s 17 ERCs, one in Northern California, integrated with UC Berkeley and UC San Francisco, and one in Southern California, integrated with UCLA and UC Irvine. Maintaining this funding will help the ERCs in their mission to provide academic and research training programs in the core occupational safety and health disciplines, as well as to provide education and outreach programs to prevent injury and disease. The elimination of the ERCs would limit one of the only programs to train occupational health professionals in the United States; would harm workplace injury prevention efforts and harm the ability of workers to avoid exposures that can result in injury or illnesses; and would eliminate occupational safety and health educational services provided to over 10,000 businesses.

The University of California operates one of the nine regional NIOSH Centers for Agricultural Disease and Injury Research, Education, and Prevention located at UC Davis. The AFF Program is the only substantive federal effort designed to help prevent workplace injuries in the agriculture sector. Eliminating the AFF Program could increase the risk agricultural workers would suffer work-related injuries, illnesses, and deaths.

HEALTH AND HUMAN SERVICES MANDATORY SPENDING PROPOSALS

Centers for Medicare and Medicaid Services (CMS)
The FY 2013 Budget Request includes approximately $360 billion in cuts over 10 years to Medicare ($302.8 billion) and Medicaid ($55.7 billion). The Budget Request seeks to realize these savings by “implementing payment innovations that encourage high quality, efficient care, and improve program integrity.” The following provisions that would directly affect the University of California Health System’s clinical operations and medical education training programs are included in the $360 billion in Medicare and Medicaid program savings:

- The proposal would cut Medicare payments for indirect graduate medical education (GME) by $9.7 billion or 10 percent over 10 years;
- The proposal would reduce hospitals’ Medicare “bad debt” payments from 70 percent to 25 percent of bad debts over a 3-year period. This proposal results in a net savings of $35.9 billion over 10 years;
- The proposal would phase down states use of provider taxes beginning in 2015 resulting in savings of $21.8 billion over 10 years;
• Beginning in 2017, the proposal would simplify the various Federal Matching Assistance Percentage (FMAP) states receive as a portion of spending for Medicaid and the State Children’s Health Insurance Program (SCHIP). The proposal would also apply to the expanded Medicaid population starting in FY 2017. The proposal would cut federal Medicaid spending by $17.9 billion over 10 years;
• The proposal would rebase Medicaid Disproportionate Share Hospital (DSH) allotments in 2021 to achieve a savings of $8.3 billion over 10 years; and
• The proposal also includes major Medicare cuts to post-acute providers totaling $62.9 billion over 10 years and cuts to Medicare payments for pharmaceuticals resulting in a savings of $167.9 billion over 10 years.

As a public trust, the University of California believes that containing healthcare costs, including Medicare and Medicaid spending, must be a priority. The rising costs of healthcare impacts all Californians, including patients, healthcare providers, and employers. However, given the historically insufficient levels of Medicare and Medicaid reimbursements, the University has serious concerns regarding the impact of potentially significant cuts to the Medicare and Medicaid programs on our medical centers, physician faculty, medical students, and the patients we serve.
University of California FY 2013 Appropriations Priorities

DEPARTMENT OF TRANSPORTATION

University Transportation Centers (UTC) Program

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<td>FY 2013 Budget Request:</td>
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<td>FY 2012 Enacted:</td>
<td>$73.9 million</td>
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UC supports the FY 2013 Budget Request of $80 million for the University Transportation Centers (UTC) program, which is funded through both the Federal Highway Administration and the Federal Transit Administration. The UTC program funds multidisciplinary, university-based research centers of excellence, which work to advance the technical expertise of our nation’s transportation industry and train the next generation of transportation and transit professionals.

The University of California Transportation Center (UCTC), a 10-campus UC/California State University research consortium hosted by UC Berkeley, was recently named the Region 9 UTC grantee with a $3.5 million award. This regional center focuses on issues important to California: environmental sustainability, economic competitiveness, and livability. Three UCTC partners, UC Berkeley, UC Davis, and UC Irvine, are ranked among the top ten transportation institutions in the U.S. and the world. The educational mission of the centers is of great importance to the University, since a large proportion of funding supports domestic graduate students in the form of fellowships, dissertation grants and educational courses.