# University of California Fiscal Year 2014 Appropriations Priorities

## TABLE OF CONTENTS

| Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies | Department of Agriculture | .......................................................... | 1 |
| Subcommittee on Commerce, Justice, Science, and Related Agencies | National Institute of Standards and Technology | .......................................................... | 3 |
| Department of Defense | National Oceanographic and Atmospheric Administration | .......................................................... | 3 |
| Subcommittee on Commerce, Justice, Science, and Related Agencies | National Institute of Food and Agriculture | .......................................................... | 1 |
| Department of Commerce | .......................................................... | .......................................................... | 2 |
| National Science Foundation | .......................................................... | .......................................................... | 2 |
| Department of Energy | .......................................................... | .......................................................... | 3 |
| Subcommittee on Commerce, Justice, Science, and Related Agencies | .......................................................... | .......................................................... | 3 |
| National Aeronautics and Space Administration | .......................................................... | .......................................................... | 2 |
| Department of Energy | .......................................................... | .......................................................... | 3 |
| Subcommittee on Defense | .......................................................... | .......................................................... | 3 |
| National Institute of Standards and Technology | .......................................................... | .......................................................... | 3 |
| Department of Defense | .......................................................... | .......................................................... | 4 |
| Subcommittee on Energy and Water Development, and Related Agencies | .......................................................... | .......................................................... | 5 |
| National Institute of Standards and Technology | .......................................................... | .......................................................... | 3 |
| Department of Energy | .......................................................... | .......................................................... | 5 |
| National Aeronautics and Space Administration | .......................................................... | .......................................................... | 3 |
| National Institute of Standards and Technology | .......................................................... | .......................................................... | 3 |
| Department of Energy | .......................................................... | .......................................................... | 4 |
| Subcommittee on Homeland Security | .......................................................... | .......................................................... | 6 |
| National Aeronautics and Space Administration | .......................................................... | .......................................................... | 3 |
| Department of Homeland Security | .......................................................... | .......................................................... | 6 |
| National Institute of Standards and Technology | .......................................................... | .......................................................... | 3 |
| Department of Energy | .......................................................... | .......................................................... | 5 |
| Subcommittee on the Interior, Environment, and Related Agencies | .......................................................... | .......................................................... | 6 |
| Department of the Interior | .......................................................... | .......................................................... | 6 |
| US Geological Survey | .......................................................... | .......................................................... | 6 |
| Environmental Protection Agency | .......................................................... | .......................................................... | 7 |
| National Endowment for the Humanities | .......................................................... | .......................................................... | 8 |
| Department of the Interior | .......................................................... | .......................................................... | 6 |
| National Institute of Standards and Technology | .......................................................... | .......................................................... | 3 |
| Department of Energy | .......................................................... | .......................................................... | 5 |
| Subcommittee on Labor, Health and Human Services, Education and Related Agencies | .......................................................... | .......................................................... | 8 |
| Department of Education | .......................................................... | .......................................................... | 8 |
| National Institutes of Health | .......................................................... | .......................................................... | 11 |
| Health Resources and Services Administration | .......................................................... | .......................................................... | 11 |
| Centers for Disease Control | .......................................................... | .......................................................... | 12 |
| Centers for Medicare and Medicaid Services | .......................................................... | .......................................................... | 13 |
| Department of Health and Human Services | .......................................................... | .......................................................... | 11 |
| National Institutes of Health | .......................................................... | .......................................................... | 11 |
| Health Resources and Services Administration | .......................................................... | .......................................................... | 11 |
| Centers for Disease Control | .......................................................... | .......................................................... | 12 |
| Centers for Medicare and Medicaid Services | .......................................................... | .......................................................... | 13 |
| Subcommittee on Transportation, Housing and Urban Development, and Related Agencies | .......................................................... | .......................................................... | 14 |
| Department of Transportation | .......................................................... | .......................................................... | 14 |
| National Science Foundation | .......................................................... | .......................................................... | 15 |
| Smithsonian Institution | .......................................................... | .......................................................... | 15 |
| Budget Request to Restructure Federal STEM Education | .......................................................... | .......................................................... | 15 |
UC supports the highest possible funding levels for USDA Research, Education and Extension programs which enable UC’s vital partnership with California’s agricultural producers in ensuring a safe, secure and plentiful supply of food and energy, as well as clean and sustainable air, water and other natural resources. Programs vital to UC include:

**USDA Capacity Grants programs – Hatch Act, Smith-Lever 3(b)-3(c) and McIntire-Stennis Cooperative Forestry**

<table>
<thead>
<tr>
<th></th>
<th>Hatch Act</th>
<th>Smith-Lever 3(b)-3(c)</th>
<th>McIntire-Stennis</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC Request:</td>
<td>$236 million</td>
<td>$294 million</td>
<td>$33 million</td>
</tr>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$236 million</td>
<td>$294 million</td>
<td>$33 million</td>
</tr>
<tr>
<td>FY 2012 Enacted:</td>
<td>$236 million</td>
<td>$294 million</td>
<td>$33 million</td>
</tr>
</tbody>
</table>

UC supports the funding levels above for the Hatch, Smith-Lever 3(b)-3(c) and McIntire-Stennis capacity grants programs, which are crucial to UC’s agricultural research and extension work. They enable UC to support California agricultural producers by improving conservation practices, production efficiencies, varietal development and cropping methods.

**Agriculture and Food Research Initiative (AFRI)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>UC Request:</td>
<td>$383 million</td>
</tr>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$383 million</td>
</tr>
<tr>
<td>FY 2013 Enacted:</td>
<td>$298 million (before sequestration)</td>
</tr>
</tbody>
</table>

UC supports $383 million for the Agriculture and Food Research Initiative (AFRI), which funds competitive research on human nutrition and health, agricultural sustainability, renewable energy and biofuels, water supply, and air and water quality. UC scientists typically receive 10-15 percent of competitive USDA research funds awarded annually.

**USDA Pest Management programs**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>UC Request:</td>
<td>$32 million</td>
</tr>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$29 million</td>
</tr>
<tr>
<td>FY 2012 Enacted:</td>
<td>$32 million</td>
</tr>
</tbody>
</table>

UC supports $32 million for USDA Pest Management programs, including research, extension and integrated activities. These programs provide vital support to UC’s statewide Integrated Pest Management (IPM) program, which develops and promotes the use of ecologically sound programs to solve pest problems while protecting California’s agricultural crops.
Expanded Food and Nutrition Education Program (EFNEP)
UC Request: $68 million
FY 2014 Budget Request: $68 million
FY 2012 Enacted: $68 million

UC supports $68 million for the Expanded Food and Nutrition Education Program (EFNEP), which successfully 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.

SUBCOMMITTEE ON COMMERCE, JUSTICE, SCIENCE AND RELATED AGENCIES

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

NASA Science Mission Directorate
UC Request: $5.144 billion
FY 2014 Budget Request: $5.017 billion
FY 2012 Enacted: $5.090 billion

UC supports $5.144 billion for the NASA Science Mission Directorate, which funds research on the Earth, our solar system and the universe. UC researchers are highly successful in competing for NASA research awards, enabling them to be international leaders in astronomy.

Space Grant College and Fellowship Program
UC Request: $40 million
FY 2014 Budget Request: $24 million
FY 2012 Enacted: $39 million

UC supports $40 million for the Space Grant College and Fellowship Program, a national network that gives students practical hands-on training in support of NASA’s aeronautics and space missions, and inspires them to pursue STEM careers. Headquartered at UC San Diego, the California Space Grant Consortium engages 28 California affiliates, including nine UC campuses, ten California State University campuses, three NASA centers and other universities. (See STEM education section, page 14.)

NATIONAL SCIENCE FOUNDATION (NSF)

UC Request: $7.63 billion
FY 2014 Budget Request: $7.63 billion
FY 2013 Enacted: $7.393 billion (before sequestration)

UC supports $7.63 billion for the National Science Foundation, which sponsors about 20 percent of all merit-based university research nationally, including engineering and mathematics education, chemistry and material science, earth and space science, research infrastructure and equipment and education research. NSF also helps to train and educate the next-generation scientific and engineering
workforce. UC researchers successfully competed for $450 million in FY 2011 NSF research grants – more than 8 percent of NSF’s total budget.

The Administration proposes a major reorganization of STEM programs across federal agencies, including significant changes for NSF. (See STEM education section, page 14.)

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

UC Request: $934 million
FY 2014 Budget Request: $934 million
FY 2013 Enacted: $824 million (before sequestration)

UC supports $934 million for NIST, including $694 million for Scientific and Technical Research and Services, $153 million for the Manufacturing Extension Partnership program, and $21 million for the Advanced Manufacturing Technology Consortia program, a public-private partnership to support roadmaps and research to address common manufacturing challenges. NIST programs help UC campuses promote U.S. innovation and industrial competitiveness through measurement science, standards and technology research. UC also supports cross-agency and cross-disciplinary initiatives to expand advanced manufacturing research through public-private partnerships under the National Network for Manufacturing Innovation initiative.

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

UC supports the highest possible funding levels for extramural NOAA research programs on climate, weather and water and ocean observing, including:

Climate Research, Office of Oceanic and Atmospheric Research (OAR)
UC Request: $189 million
FY 2014 Budget Request: $189 million
FY 2013 Enacted: $143 million (before sequestration)

UC supports $189 million for OAR Climate Research programs, which includes funding for the Competitive Research Program and Laboratories and Cooperative Institutes. UC researchers rely on NOAA competitive research funding for the collection of climate, weather and water data, including ocean observing for accurate weather forecasting, which is essential to California agriculture, energy and fisheries, and disaster preparedness, and the U.S. Navy and NASA. Historically, UC has annually received 10 percent of this funding.

Sustained Ocean Observations and Monitoring under Ocean, Coastal and Great Lakes Research, Office of Oceanic and Atmospheric Research (OAR)
UC Request: $45 million
FY 2014 Budget Request: $45 million
FY 2012 Enacted: ---
UC supports $45 million for OAR ocean observations in a new budget line under Ocean, Coastal and Great Lakes Research. Funds for these activities are proposed to be transferred from the Climate Competitive Research, Sustained Observations, and Regional Information account in OAR Climate Research. UC researchers are critical partners in maintaining baseline ocean observations to support weather and regional climate predictions, fisheries management and ecosystem studies, tide and current monitoring and sea level change.

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

UC Request: $35 million  
FY 2014 Budget Request: $35 million  
FY 2013 Enacted: $28.5 million (before sequestration)

**UC supports $35 million for the Regional Integrated Ocean Observing System (IOOS), a national network that addresses maritime commerce, fisheries, aquaculture, offshore energy, coastal communities, public health and other users’ needs. UC is active in two 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: $73 million  
FY 2014 Budget Request: $73 million  
FY 2012 Enacted: $62 million

**UC supports $73 million for the National Sea Grant College Program, a university-based coastal and marine research network, which facilitates knowledge transfer from researchers to the marine industry and the public. Based at the UC San Diego Scripps Institution of Oceanography, California’s program sponsors research and extension programs involving public and private institutions throughout the state.**

**SUBCOMMITTEE ON DEFENSE**

**DEPARTMENT OF DEFENSE (DOD)**

Basic Research (6.1)

UC Request: $2.165 billion  
FY 2014 Budget Request: $2.165 billion  
FY 2013 Enacted: $2.13 billion (before sequestration)

**UC supports $2.165 billion for Defense 6.1 Basic Research, within a total of $12 billion for the Defense Science and Technology (6.1-6.3) research and development portfolio.** Conducted by the Army, Navy, Air Force and the Office of the Secretary, Defense Basic (6.1) and Applied (6.2) research programs fund the bulk of DOD-sponsored university research, especially in the physical sciences, computer science and engineering. The UC-DOD research partnership spans more than 50 years and...
has led to breakthroughs in communications, life-saving medical technologies, and the development of advanced composite materials. UC researchers have provided vital information through the social science research Minerva Initiative, which deepens our understanding of the cultural and political conditions in areas of the world of strategic importance to our national security.

Defense Basic Research also supports education and training for students who will become DOD’s scientific and technological workforce. UC supports the highest possible levels of funding for the National Defense Education Program and the National Defense Science and Engineering Graduate Fellowships program. The Administration proposes a major reorganization of STEM programs across federal agencies, including significant changes for Defense STEM programs. (See STEM education section, page 14.)

Within the Defense Science and Technology portfolio, UC also supports $2.87 billion for Defense Advanced Research Projects Agency (DARPA), which invests in high-risk, high-reward research that has led to “game-changing” technological advances, such as the Internet and GPS.

**SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT, AND RELATED AGENCIES**

**DEPARTMENT OF ENERGY (DOE)**

**Office of Science**

UC Request: $5.15 billion  
FY 2014 Budget Request: $5.15 billion  
FY 2012 Enacted: $4.87 billion

UC supports $5.15 billion in funding for the DOE Office of Science (OS), the primary federal agency supporting physical sciences research. Among its missions, the OS funds research on new materials, future energy sources, energy efficiency and high performance scientific computing and several STEM education and fellowship programs. (See STEM education section, page 14.) The OS also funds world-class national laboratories, including the Lawrence Berkeley National Laboratory (LBNL), and other user facilities that serve thousands of university researchers, students and industry scientists every year. UC also supports Energy Frontier Research Centers and Energy Innovation Hubs, which focus on fundamental energy science and discrete technology solutions, and are funded by OS and the Office of Energy Efficiency and Renewable Energy.

**Advanced Research Projects Agency-Energy (ARPA-E)**

UC Request: $379 million  
FY 2014 Budget Request: $379 million  
FY 2012 Enacted: $275 million

UC supports $379 million in funding for the Advanced Research Projects Agency-Energy (ARPA-E), which is focused on achieving U.S. leadership in clean technologies to transform our energy
landscape. In its first three years, ARPA-E has funded over 285 projects, leading to the creation of 11 new technology companies. UC researchers are among the most successful ARPA-E awardees.

SUBCOMMITTEE ON HOMELAND SECURITY

DEPARTMENT OF HOMELAND SECURITY (DHS)
Research, Development and Innovation, Science and Technology Directorate
UC Request: $467 million
FY 2014 Budget Request: $467 million
FY 2012 Enacted: $266 million

University Programs, Science and Technology Directorate
UC Request: $40 million
FY 2014 Budget Request: $31 million
FY 2012 Enacted: $36.6 million

UC supports $467 million for Research Development and Innovation programs, and $40 million for University Programs within the DHS Science and Technology (S&T) Directorate. The S&T Directorate funds basic and applied research to develop advanced technologies and methodologies to protect the nation’s communities, ports, coasts, food supplies, borders and infrastructure. UC researchers have successfully competed for grants supporting research on nuclear detection, food system protection, public health assessment and first responder safety. University Programs support collaborative, multi-disciplinary research at universities across the country that contributes to prevention and response to homeland security threats, as well as STEM education, including the DHS Scholars and Fellows Program. (See STEM education section, page 14.)

SUBCOMMITTEE ON THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

U.S. DEPARTMENT OF INTERIOR, U.S. GEOLOGICAL SURVEY (USGS)
Earthquake Hazards Program
UC Request: $74.5 million
FY 2014 Budget Request: $58 million
FY 2012 Enacted: $54 million

Global Seismographic Network
UC Request: $5.5 million
FY 2014 Budget Request: $5.2 million
FY 2012 Enacted: $5.2 million

UC supports $74.5 million for the USGS Earthquake Hazards Program and $5.5 million for the Global Seismographic Network. Effective earthquake preparedness and monitoring tools are critical to public safety in California and the nation. Due to the strength of their work, researchers at UC and other California universities have historically been the primary recipients of funding to analyze Earth processes,
and minimize loss of life and property from natural disasters. California communities directly benefit from this work.

**Water Resources Research Institutes**
- UC Request: $6.5 million
- FY 2014 Budget Request: $1 million
- FY 2012 Enacted: $6.5 million

UC supports $6.5 million for the USGS Water Resources Research Institutes (WRRI), which is the only federally supported research network for applied water resource research, education, training and outreach. UC operates the California-based institute, which supports researchers in developing solutions to some of California's most costly and difficult water problems.

**ENVIRONMENTAL PROTECTION AGENCY (EPA)**

**Science and Technology Programs**
- UC Request: $800 million
- FY 2014 Budget Request: $784 million
- FY 2012 Enacted: $794 million

UC supports $800 million for EPA Science and Technology programs to protect human health and the environment. The Science to Achieve Results (STAR) program, EPA’s main competitive research program for universities, funds science involving environmental challenges, particularly through STAR fellowships in environmental science and engineering for student researchers. (See STEM education section, page 14.)

**NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH)**
- UC Request: $154.5 million
- FY 2014 Budget Request: $154.5 million
- FY 2013 Enacted: $139.6 million

UC supports the Budget Request for the National Endowment for the Humanities (NEH) of $154.5 million, which is $14.9 million, or 10.7 percent, above the final FY 2013 level. The increases are spread among the core, research, education, and preservation programs, as well as the federal-state partnerships and Digital Humanities Initiative funded through the Endowment. NEH, the largest federal source of competitive research funding for the humanities, supports the scholarship of many of UC’s brightest students. NEH funds leverage significant additional private and foundation dollars that support meaningful projects, impacting our campuses, local elementary and secondary schools and our broader communities. Support for the humanities is critical to assuring that college graduates are well-rounded and can compete in an increasingly complex and interconnected global economy.
### Pell Grant Discretionary Appropriations

<table>
<thead>
<tr>
<th>Category</th>
<th>UC Request</th>
<th>FY 2014 Budget Request</th>
<th>FY 2013 Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell Grant Maximum Award</td>
<td>$22.82 million</td>
<td>$22.82 million</td>
<td>$22.78 million</td>
</tr>
</tbody>
</table>

UC supports an appropriation for the Pell Grant Program sufficient to provide a discretionary "base" award of $4,860. This appropriations level is essential to ensure that—with the mandatory funds available and the scheduled inflationary adjustments—the maximum Pell Grant will be $5,785 in FY 2014, an increase of $140.

The Pell Grant program is critically important to the more than 83,000 UC undergraduate students who receive this aid. All UC students already contribute to their own cost of education with loans and earnings from work or savings, so without robust funding for Pell Grants, UC students would have to borrow more, work beyond what is considered manageable, or take longer to complete their degrees.

### Stafford Student Loans

UC supports efforts to help lower the cost of student loans to borrowers. The President's FY 2014 budget request proposes one possible approach to adjust the interest rate on Stafford student loans. Unless current law is changed, the interest rate for new loans made on or after July 1, 2013, will increase from 3.4 percent to 6.8 percent. The President's proposal would offer a variable rate based on the T-bill rate, with three different add-ons for subsidized Stafford loans, unsubsidized Direct Loans and PLUS loans. There would be no cap and the interest rates would be fixed for the life of the loan. UC would prefer terms more beneficial to students, and would support a reasonable cap on a variable rate. Linked to this proposal is expansion of the President’s "Pay As You Earn" plan to all borrowers. UC supports this proposal, which would cap student loan payments at 10 percent of their income, with remaining balances forgiven after 20 years of repayment.

### Supplemental Educational Opportunity Grant (SEOG)

<table>
<thead>
<tr>
<th>Category</th>
<th>UC Request</th>
<th>FY 2014 Budget Request</th>
<th>FY 2013 Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC Request</td>
<td>$735 million</td>
<td>$735 million</td>
<td>$696 million</td>
</tr>
</tbody>
</table>

### Federal Work-Study

<table>
<thead>
<tr>
<th>Category</th>
<th>UC Request</th>
<th>FY 2014 Budget Request</th>
<th>FY 2013 Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Work-Study</td>
<td>$1.12 billion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FY 2014 Budget Request: $1.12 billion
FY 2013 Enacted: $926 million

UC supports increased support for the Supplemental Educational Opportunity Grant (SEOG) and Federal Work-Study (FWS) Programs. These campus-based programs are essential to the network of federal, state, and institutional support that ensures access to a UC education for students from a broad range of income levels. There is significant demonstrated need for new funding.

Perkins Loans
UC supports the intent of the President FY 2014 Budget Request to expand the Perkins Loan program. UC would support the expansion of the Perkins Loan program to help more low-income students finance their education costs; however, UC would oppose a higher interest rate, loss of loan cancellation benefits and elimination of the current Perkins Loan revolving fund. At a minimum, funds should be appropriated for the Perkins Loan program to reimburse campuses for loan cancelations they make when borrowers complete qualifying service as outlined in the law. At the present time, UC campuses have paid nearly $6 million in loan cancelations that have not been reimbursed by the Department of Education.

TRIO Program
UC Request: $839.9 million
FY 2014 Budget Request: $839.9 million
FY 2013 Enacted: $795.5 million

GEAR UP
UC Request: $302.2 million
FY 2014 Budget Request: $302.2 million
FY 2013 Enacted: $286.4 million

UC believes the federal investment in TRIO and GEAR UP, which are complementary and successful early intervention and academic preparation programs, should be increased, particularly after serious funding cuts over the past several years. These programs only reach a small fraction of eligible students.

Teacher Preparation and Teacher Quality Programs
UC supports the highest possible funding levels for Department of Education programs that aim to improve teacher preparation and recruit and retain high quality teachers. The FY 2014 Budget Request proposes a number of program consolidations, repurposing of existing funds, and new programs aimed to improve teacher preparation programs and 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, particularly competitive grants for the most innovative and promising reforms, expansion of high-quality teacher preparation and professional development programs, and efforts that focus federal funds on improving the teaching and learning of STEM subjects. UC will work with Congress and the Administration as legislation is developed to address these critical needs, and ensure that institutions of
higher education—where new knowledge and research are translated into improved teaching and learning—are partners in these efforts. In the meantime, UC will also work to secure the highest level of funding for these accounts.

**International Education Programs**

<table>
<thead>
<tr>
<th>UC Request:</th>
<th>$80.93 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$80.93 million</td>
</tr>
<tr>
<td>FY 2013 Enacted:</td>
<td>$70.17 million</td>
</tr>
</tbody>
</table>

**UC supports the FY 2014 Budget Request for Title VI international education programs.** At UC, Title VI supports research and expertise through National Resource Centers, which are important tools in serving the nation’s economic, diplomatic, defense, and national security needs. Regrettably, Title VI funding has eroded over the past several years and UC remains concerned that if federal funding is not increased, 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 in the Areas of National Need (GAANN)**

<table>
<thead>
<tr>
<th>UC Request:</th>
<th>$30.9 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$30.9 million</td>
</tr>
<tr>
<td>FY 2013 Enacted:</td>
<td>$29.3 million</td>
</tr>
</tbody>
</table>

**UC supports increased funding for graduate education in the Department of Education** to drive excellence and innovation in business, science, academia and government. The continued erosion of federal graduate fellowship support over the past several years, along with the more recent loss of funds for new Javits fellowships, is affecting talented and knowledgeable individuals at the nation’s top research universities who are not able to receive fellowship support. UC acknowledges that the President’s budget would restore the $1.6 million sequestration cut made in FY 2013, but recommends that there be a renewed federal investment in graduate education to expand 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, Institute of Education Sciences (IES)**

<table>
<thead>
<tr>
<th>UC Request:</th>
<th>$671 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014 Budget Request:</td>
<td>$671 million</td>
</tr>
<tr>
<td>FY 2013 Enacted:</td>
<td>$563 million</td>
</tr>
</tbody>
</table>

**UC supports the overall FY 2014 Budget Request of $671 million for the Institute of Education Sciences (IES) programs.** 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. UC researchers use competitive funds from IES 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, teacher evaluations, and creation of successful professional development models.

The Administration proposes a major reorganization of STEM programs across federal agencies, including those in the Department of Education. (See STEM education section, page 14.)

DEPARTMENT OF HEALTH AND HUMAN SERVICES, NATIONAL INSTITUTES OF HEALTH (NIH)
National Institutes of Health
UC Request: $32.00 billion
FY 2014 Budget Request: $31.33 billion
FY 2013 Enacted: $31.06 billion (before sequestration)

UC supports $32 billion for the National Institutes of Health. The FY 2014 Budget Request proposes $31.33 billion in discretionary budget authority for NIH, 1.5 percent higher than the FY 2012 funding level of $30.86 billion. Unfortunately, this proposed increase is below the rate of the Biomedical Research and Development Price Index (BRDPI), which grew 5.2 percent from FY 2012-2014 and is estimated to be 2.7 percent for FY 2014. An increase in NIH funding that is below the estimated rate of inflation 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 NIH is critical to the University of California and our partners in California’s biomedical research industry. In 2012, California institutions successfully competed for $3.5 billion in NIH grants, approximately $1.46 billion of which were awarded to researchers at the University of California. This essential federal investment enables California’s biomedical research industry to seek life-saving, breakthrough science and employ hundreds of thousands of Californians.

DEPARTMENT OF HEALTH AND HUMAN SERVICES, HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA)
Title VII Health Professions Training
UC Request: $266.4 million
FY 2014 Budget Request: $211.8 million
FY 2013 Enacted: $211.2 million (before sequestration)

UC supports $266.4 million for the Health Resources and Services Administration (HRSA) Title VII Health Professions Training Programs. The FY 2014 Budget Request proposes $211.8 million for HRSA’s Title VII health professions program, nearly $55 million less than what was funded in FY 2012. The Request proposes to eliminate funding for the Title VII Health Careers Opportunity Program (HCOP) 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 2012, California received approximately $18.5 million in Title VII funding, of which the University of California successfully competed for $11.4 million, or more than 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 supports increasing funding to at least the FY 2012 level of $266.4 million for the Title VII health professions training programs. The University also supports full restoration of funding for the Title VII HCOP and the AHEC program.

**Title VIII Nursing Workforce Development**

UC Request: $251.1 million  
FY 2014 Budget Request: $251.1 million  
FY 2013 Enacted: $215.2 million (before sequestration)

UC supports $251.1 million for the Health Resources and Services Administration (HRSA) Title VIII Nursing Workforce Development. The FY 2014 Budget Request represents a significant investment and increase over both the FY 2012 level (8 percent) and the estimated funding level for FY 2013 (17 percent). This investment in nursing programs provides a much needed infusion of funds into states, like California, which are currently experiencing a nursing crisis (California is expected to experience a nursing shortage of over 100,000 by 2030). 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. In FY 2012, California received approximately $7.4 million in Title VIII funding. Of that amount, the University of California received over $3.6 million of the funds awarded to the state.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES, CENTERS FOR DISEASE CONTROL (CDC) AND PREVENTION**

National Institute for Occupational Safety and Health (NIOSH) Education and Research Centers (ERCs)

UC Request: $24.3 million  
FY 2014 Budget Request: $0  
FY 2012 Enacted: $24.3 million

UC supports $24.3 million for the National Institute for Occupational Safety and Health (NIOSH) Education and Research. The ERCs provide academic and research training programs in the occupational safety and health disciplines, as well as education and outreach programs to prevent workplace related injury and disease. The Administration’s proposal to eliminate the ERCs would harm workplace injury prevention efforts, and would eliminate occupational safety and health educational services provided to over 10,000 businesses. UC operates two of the nation’s 18 ERCs (the Northern
California ERC based at UCSF and UC Berkeley, and the Southern California ERC based at UCLA and UC Irvine).

NIOSH Agriculture, Forestry and Fishing Program (AFF)
UC Request: $22 million
FY 2014 Budget Request: $0
FY 2012 Enacted: $22 million

UC supports $22 million for the NIOSH Agriculture, Forestry and Fishing Program (AFF) Centers. The AFF Program is the only substantive federal effort designed to prevent workplace injuries in the agriculture sector. The Administration’s proposal to eliminate funding for the AFF Centers would harm efforts to protect agricultural workers. UC operates one of the nine regional NIOSH AFF Centers, the Center for Agricultural Disease and Injury Research, Education, and Prevention (located at UC Davis).

HEALTH AND HUMAN SERVICES MANDATORY SPENDING PROPOSALS, CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)
The President’s FY 2014 Budget Request includes approximately $400 billion in spending reductions over 10 years to Medicare ($371 billion) and Medicaid ($22 billion). The Budget Request seeks to realize these savings by “aligning payments with costs of care, strengthening provider payment incentives to promote high-quality efficient care, and making structural changes that will reduce federal subsidies to high-income beneficiaries and create incentives for beneficiaries to seek high-value services.” Though these proposals are not subject to appropriations, UC has concerns and is currently evaluating the impact of several of the following provisions that would directly affect the University of California Health System’s clinical operations and medical education training programs and are included in the $400 billion in Medicare and Medicaid program savings:

- The Budget Request would reduce the reimbursement to hospitals for their “bad debt” from 65 percent to 25 percent over three years for a savings of approximately $25 billion over ten years;
- Payments for indirect graduate medical education (GME) would be reduced by nearly $11 billion (10 percent) over ten years;
- Sequestration, and the 2% reduction in Medicare payments, would be eliminated;
- The Independent Payment Advisory Board (IPAB), created by the Affordable Care Act to reduce Medicare spending, will be strengthened. IPAB is tasked with recommending policies to reduce the Medicare growth rate if the projected Medicare per capita growth rate exceeds a certain target. The Request would lower that target growth rate, triggering IPAB to make policy recommendation at an earlier time, for a savings of $4.1 billion over ten years;
- The Request delays by one year to 2015, the reduction in Medicaid disproportionate share hospital payments (DSH) but offsets this cost by increasing DSH reductions in 2016 and 2017. Additionally, DSH reductions would continue in 2023 resulting in $3.6 billion in savings;
- The proposal also includes significant Medicare reimbursement adjustments to post-acute care providers including Inpatient Rehabilitation Facilities, Long-Term Care Hospitals, Skilled Nursing Facilities and Home Health Agencies for a savings of $79 billion.
SUBCOMMITTEE ON TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

UC Request: $72.5 million  
FY 2014 Budget Request: $72.5 million  
FY 2012 Enacted: $73.9 million

UC supports $72.5 million for the University Transportation Centers (UTC) program, which is funded through the Federal Highway Administration and the Federal Transit Administration. The UTC program funds multidisciplinary, university-based research centers of excellence, which advance the technical expertise of the nation’s transportation industry and train the next generation of transportation professionals through fellowships, dissertation grants and educational courses. Several UC campuses participate in the UTC program and are ranked among the top transportation research institutions in the world.

BUDGET REQUEST TO RESTRUCTURE FEDERAL STEM EDUCATION

The President’s FY 2014 Budget Request proposes a major restructuring of the federal support provided for programs in science, technology, engineering, and mathematics education, or “STEM” fields as they are commonly known. In calling for a “cohesive national STEM education strategy,” the plan would try to improve the coordination of STEM activities and efforts focused on K-12 instruction, undergraduate education, graduate fellowships, and informal education. Currently funded throughout multiple government agencies, the consolidated federal support would primarily be funneled through the Department of Education (ED), the National Science Foundation (NSF), and the Smithsonian Institution.

The proposal would eliminate more than 100 federal STEM programs, and increase funding for selected STEM programs in some critical areas. Some aspects of the coordination of resources and intensifying the rigor and evaluation of current programs may be worthwhile, and there could be increased opportunities for competitive grants to research universities. However, a number of federal agencies would face significant cuts if this proposal is enacted, including NASA, EPA, USDA, Commerce, DOE, DOD, ED, HHS, and Transportation. UC will monitor this effort closely and assess proposals as they are introduced to assure the maximum investment of federal support possible in critical STEM research and education activities.

Department of Education

The FY 2014 Budget Request is $814 million for STEM activities in the Department of Education which is an increase of $285 million or 53.9 percent over comparable FY 2012 funding levels. The ED proposal, focused on improving K-12 teaching and learning, includes:

- $150 million for competitive awards to school districts in partnership with institutions of higher education and other entities to transform STEM teaching and learning and implement proven best practices across regional networks of schools;
- $80 million for the STEM Teacher Pathways proposal for innovative approaches to recruit, prepare and retain college graduates and mid-career professionals in the STEM fields;
- $35 million to create a “Master Teacher Corps,” to reform STEM teaching and learning and raise the profile of the STEM teaching profession;
- $149.7 million for state education agencies – alone or in partnerships – to implement new and comprehensive strategies for improving high-quality STEM instruction and learning; and,
- $65 million for Advanced Research Projects Agency for Education or “ARPA-ED,” which would support research and development of educational technologies to improve learning.

**National Science Foundation**

NSF is also collaborating with the White House Office of Science and Technology Policy to establish a new coordinated STEM education investment strategy across the federal government. In support of the National Science and Technology Council’s Committee on STEM (CoSTEM) Education’s 5-year strategic plan, several changes are proposed for NSF STEM programs at NSF and other federal research agencies. UC has concerns about some of these proposed changes and is still analyzing the proposal to assess impacts on UC students and research programs.

The total NSF STEM education investment portfolio within the reorganized Federal STEM plan is proposed to be $1.3 billion. Following are some of the changes that are being proposed:

- STEM activities from NSF’s Division of Undergraduate Education (DUE) and undergraduate programs located in NSF’s Research and Related Activities (R&RA) account would be reorganized into a new $123 million NSF-wide consolidated program led by DUE called the Catalyzing Advances in Undergraduate STEM Education (CAUSE) grant program; and
- Reorganizing the Division of Graduate Education (DGE) graduate fellowship and traineeship programs through an expanded $325 million National Graduate Research Fellowship (NGRF) program (formerly the GRF program), with $162.57 million from DGE and $162.57 million from International and Integrative Activities (IIA), and a new NSF Research Traineeships (NRT) program in association with R&RA is created, which would draw upon the current Integrative Graduate Education and Research Traineeship (IGERT) program.

**Smithsonian Institution**

The FY 2014 request included $25 million for STEM education programs at the Smithsonian Institution. While there is very little detail about what programs will be funded through the Smithsonian or how they will be administered, the intent is to use these resources to disseminate science-education materials to the education community and to the public in informal settings. UC will assess the impact this proposal will have on the University.