On May 28, 2021, President Biden released his full budget request for fiscal year (FY) 2022. The $6 trillion budget package provides $1.5 trillion in discretionary spending to fund federal agencies in FY 2022. The budget includes $769 billion for non-defense discretionary programs and $753 billion for defense discretionary programs. The President’s Budget Request also includes a request to support the administration’s infrastructure plans, including $2.3 trillion for the American Job’s Plan, as well as $1.8 trillion for the American Families Plan. A UC FGR analysis of the Biden administration’s infrastructure plans can be found here.

The budget request released on May 28 is a more detailed proposal than the "skinny" budget request that was released by the administration in April. A UC FGR analysis of the Biden administration’s “skinny” budget request can be found here. This is the first budget in a decade that Congress and the administration do not have to work within tight budget caps, known as sequestration.

In mid-April, UC delivered its initial FY 2022 funding priorities to the California congressional delegation. This document highlights the University’s priorities and funding requests in education, research, health care and public service programs for FY 2022, and serves as an advocacy roadmap throughout the budget process. UC FGR also maintains an appropriations tracker for the latest updates on UC’s federal budget priorities. These documents will be updated as appropriate throughout the budget process.

Congressional hearings on the administration’s FY 2022 budget proposal have been occurring for several weeks. The House Appropriations Committee is expected to markup appropriations bills throughout June and into early July with the expectation that all 12 appropriations bills will pass out of House by the August recess. Meanwhile the Senate timeline for action remains less clear, but they are unlikely to markup bills before July.

As more specific information about the proposal becomes available, FGR will update the budget documents. Below is a high-level summary of budget provisions of importance to the University of California.

**Department of Agriculture**
- $27.8 billion, which is a 16% increase over FY 2021 enacted.
  - $4 billion, or $647 million above the FY 2021 enacted level for USDA’s research, education, and outreach programs to support investments in critical research and development capacity to assist farmers. Investments
are prioritized for research that advances innovation and science-based approaches to put technologies into the hands of farmers.

- $161 million above the FY 2021 enacted level to support a multi-agency initiative to integrate science-based tools into conservation planning, related to carbon sequestration, greenhouse gas reduction, wildlife stewardship and other activities.
- $1.7 billion is to address threats from wildfires, including funding to address issues related to hazardous fuels and forest resilience projects.
- $1.5 billion increase in funding for climate smart agriculture, climate resilience, and clean energy.
- Funding is provided to expand broadband access in rural areas; to provide safe drinking water and waste-water infrastructure in rural communities; to improve voluntary public and private land conservation efforts; to help rural communities to use clean energy; to help with rural economic development issues; and to advance equity.
- The USDA is directed to establish an Equity Commission to review how current farm programs work and how they may have contributed to racial and geographic inequities for farmers.
- Funding is also provided to foster the development of regional food systems and to support the nutrition safety net. $6.7 billion, more than $1 billion above the FY 2021 enacted level, is provided for nutrition programs, including SNAP and WIC.
- National Institute of Food and Agriculture (NIFA), $1.9 billion, of which at least $91 million will be for climate change research, including not less than $5 million for climate hubs.
- $700 million is provided for Agriculture and Food Research Initiative (AFRI). Climate-smart agriculture and application of clean energy practices will be emphasized throughout AFRI programs.
- USDA Capacity Grants Programs:
  - Hatch Act, $329 million;
  - Smith-Lever 3(b)-3(c), $315 million;
  - McIntire-Stennis, forestry research, $46 million, an increase of $9.7 million;
- In FY 2022, NIFA will invest an additional $265 million across all AFRI programs.
- Specialty Crop Research Initiative, $75 million.
- Crop Protection/ Pest Management, $20 million.
- Expanded Food and Nutrition Education Program (EFNEP), $72 million.
- Food Animal Residue Avoidance Database (FARAD), $2 million.
- Organic Research and Extension Initiative, $28 million.

**Department of Commerce**

- $11.4 billion, which is a 27.7% increase above FY2021 enacted.
- Economic Development Administration:
  - $10 million, an increase of $6 million, for STEM Apprenticeship Pilot program.
  - $10 million (new) for Regional Innovation Hubs.
NOAA: $6.9 billion, an increase of more than $1.4 billion over the 2021 enacted level, for the National Oceanic and Atmospheric Administration.
  - $722 million for Office of Oceanic and Atmospheric Research (OAR), which is a 27% increase over FY21 enacted.
  - $40 million allocation for proposed Advanced Research Projects Agency-Climate (ARPA-C).
  - $2 billion, an approximately $500 million increase over the 2021 enacted level, for the next generation of satellites.

$1.497 billion for National Institute of Standards and Technology (NIST), which is a 45% increase over FY21 enacted.
  - $916 million, an increase of $128 million over the 2021 enacted level, to expand scientific and technological research at NIST.
  - $150 million in new funding to establish two additional Manufacturing USA Institutes.

Department of Defense
- $715.0 billion, which is a 1.6% increase over FY 2021 enacted.
  - $2.3 billion for basic research, which is 14% below FY 2021 enacted.
  - $5.5 billion for applied research, which is 14% below FY 2021 enacted.
  - $6.8 billion for advanced technology research (6.3), which is 11% below FY2021 enacted.
  - $3.5 billion for the Defense Advanced Research Projects Agency (DARPA), which is .7% increase over FY 2021 enacted.
  - $112.1 million for the National Defense Education Program, which is 18% below FY2021 enacted.

Department of Education
- $102.8 billion, which is a $29.8 billion or 41% increase over FY 2021 enacted.
  - $400 increase for the maximum Pell Grant, a first step to meeting the president’s commitment to double the maximum grant. Additionally, the PBR calls for an additional $8.6 billion in mandatory spending. This would allow for a maximum award of $8,370 for the 2022-2023 award year. The Pell Grant is primarily funded through mandatory funding. This $400 increase was provided on the discretionary side. Makes DREAMers who are DACA recipients eligible for Pell Grants.
  - Increases institutional capacity and student support at Minority-Serving Institutions (MSIs) by more than $600 million in discretionary grants. The President’s budget request also included $7 billion in mandatory funding for HBCU’s and MSI’s and a new mandatory state formula grant program to help college completion rates or expand healthcare graduate pathways.
  - Increases the funding level for programming intended to support historically underserved students in science and engineering fields by $100 million (approximately 50 percent).
  - The proposal provides an increase of $1.3 billion for the Federal TRIO programs or an increase of 18.3 percent.
  - The President’s budget proposes level funding for Federal Work Study and the Federal Supplemental Educational Opportunity Grants (SEOG).
National Endowment for the Humanities (NEH) / National Endowment for the Arts (NEA)

- The President’s budget request provides a funding level for the NEH at $177.5 million, a 6% increase over FY 2021.
- The NEA was funded at $201 million.

Department of Energy:

- $46.1 billion, which is a 10.2% increase over FY 2021 enacted.
  - Proposes $7.44 billion for the Office of Science, which is a $400M increase above FY 2021 enacted.
  - Proposes $200 million for the creation of an ARPA-Climate (ARPA-C) to invest in high-risk, high-reward research to address the climate crisis. Additional funding is provided by other science agencies. The new agency will invest in climate-related innovations necessary to achieve net zero climate-inducing emissions by 2050 and address adaptation and resilience due to a changing climate.
  - Seeks to enhance research opportunities and investments in infrastructure at minority-serving institutions, including the creation of a new research center focused on climate.
  - Proposes $4.7 billion for the Energy Efficiency and Renewable Energy (EERE) office, which is a $1.8 billion increase over FY 2021 enacted.
  - Proposes $501 million for ARPA-E, which is 17% increase over FY 2021 enacted.

Department of Health and Human Services

- $131.8 billion in discretionary funding, which is a 23.5% increase over FY 2021 enacted.
  - $52 billion for National Institutes of Health (NIH), which includes $6.5 billion to launch the Advanced Research Projects Agency for Health (ARPA-H) -- an initiative that will have an initial focus on cancer and other diseases such as diabetes and Alzheimer’s with the goal of driving transformational innovation in health research and speed application and implementation of health breakthroughs.
  - $100 million for NIH to enhance Security Operations Center functions, expand threat mitigation and incident response support capabilities, implement important architectural improvements to the NIH network, and implement standard cyber tools and technologies that allow real time monitoring of activity across a variety of sources.
  - $670 million to help aggressively reduce new HIV cases while increasing access to treatment, expanding the use of pre-exposure prophylaxis (also known as PrEP).
  - $8.75 billion for the Centers for Disease Control and Prevention (CDC) to support core public health capacity improvements in States and Territories, modernize public health data collection nationwide and train a epidemiologists and other public health experts who can deploy and support state and local public health efforts.
o $153 million for CDC’s Social Determinants of Health program, an increase of $150 million over the FY 2021 enacted level, to support all states and territories in improving health equity and data collection for racial and ethnic populations.

o $100 million for CDC to start a new Community Based Violence Intervention initiative—in collaboration with the Department of Justice—to implement evidence-based community violence interventions locally.

o $1.6 billion, more than double the FY 2021 enacted level, for the Community Mental Health Services Block Grant, to support the particular needs of those who are involved in the criminal justice system, provides funding for partnerships between mental health providers and law enforcement, and expands suicide prevention activities.

o $1 billion to increase the number of counselors, nurses, and mental health professionals in schools.

o $905 million for ASPR and FDA to maintain replenishment of critical medical supplies and restructuring efforts initiated during the COVID-19 pandemic.

o $10.7 billion to help end the opioid crisis, including funding for states and Tribes, medication-assisted treatment, research, and expanding the behavioral health provider workforce.

o NIOSH, $345.3 million; NIOSH Education and Research Centers, $30 million; NIOSH Agriculture Forestry and Fisheries Centers, $27 million.

Department of Homeland Security
- $52 billion, which is a 0.2% increase over FY 2021 enacted.
  - Proposes $599 million for research and development with new investments in climate resilience, cybersecurity data analytics and transportation security technologies.
  - Proposes $45.8 million for university centers of excellence, which is a 13% increase over FY 2021 enacted.

Department of the Interior
- $17.4 billion, which is a 16.3% increase over FY 2021 enacted.
  - $550 million increase over FY 2021 enacted for efforts to decrease climate pollution, accelerate clean energy deployment and expand efforts around climate adaptation and ecosystem resilience.
  - $200 million increase over FY 2021 enacted for the United States Geological Survey to provide information about the impacts of climate change and how best to implement mitigation, adaptation and resilience efforts. The funds would help ensure that coastal, fire-prone and other particularly vulnerable communities have accurate and accessible information and tools to address the climate crisis.
  - $340 million for hazardous fuels management and burned area rehabilitation projects. Funding would support Department of Interior efforts to reduce the intensity, severity and negative effects of wildfire.
  - $200 million in new funding for science-driven conservation to align management of the nation’s natural resources with climate, biodiversity
and clean energy needs. Funding would also support the creation of a Civilian Climate Corps to develop the next generation of conservation workers.

- U.S. Geological Survey (USGS), an investment of $83 million is made for use-inspired research and development investments; Shake Alert earthquake early warning system, $25.7 million (funded from within the Earthquake Hazards Program); Natural Hazards Programs, $207.7 million; Earthquake Hazards Program, $92.6 million.

**State Department, USAID and Treasury International Program**
- $63.5 billion, which is a 11.9% increase over FY 2021 enacted.
  - The budget prioritizes funding to ensure the nation is better prepared to prevent, detect and respond to future biological threats and pandemics.
  - $10 billion is provided for global health programs; an increase of over $800 million above the FY 2021 enacted level.
  - $2.5 billion is provided for international climate programs to support re-establishing the U.S. as a leader in addressing climate change around the world.
  - $1.2 billion is provided for the Green Climate Fund, which supports climate mitigation in emerging countries.

**Department of Transportation**
- $88 billion is requested for FY 2022.
  - The budget incorporates language suggesting that the President is committed to making a “once-in-a-lifetime” generational investment to significantly improve America’s transportation infrastructure.
  - $2.5 billion is provided for the Capital Investment Grant Program to assist with transit projects.
  - $250 million is provided to assist transit agencies with procuring low and no emission buses.
  - $1 billion is provided for the Better Utilizing Investments to Leverage Development (BUILD) grant program, which funds surface transportation infrastructure projects.
  - $88.5 million for clean climate research activities to reduce the impact of aviation on climate change and air quality.

**Environmental Protection Agency (EPA)**
- $11.2 billion which is a 21.3% increase over FY 2021 enacted.
  - $110 million is provided to restore EPA’s critical staff capacity and to focus on rebuilding capabilities related to addressing clean air, land and water needs.
  - $1.8 billion is provided to tackle climate change with urgency. Funding would support programs that would help to address climate change, including for greenhouse gas emissions, environmental justice, and other areas.
$936 million is provided for a new Accelerating Environmental and Economic Justice initiative to support environmental justice issues for low-income and marginalized communities, including for community air quality monitoring and other areas.

- $3.6 billion is provided for water infrastructure, an increase of $625 million over FY 2021 enacted levels.
- Additional funding is provided related to protecting communities from hazardous waste and environmental damage, including for cleaning up environmentally damaged areas.
- Funding is also provided to assist with addressing Per and Polyfluoroalkyl Substances (PFAS) pollution, and to overhaul and strengthen the EPA’s Civil Rights Compliance Office.
- EPA S&T programs, $829.9 million.

**NASA**

- $24.7 billion, which is a 6.3% increase over FY 2021 enacted.
  - $6.9 billion, an increase of $325 million above FY21 enacted, for the Artemis program, a series of crewed exploration missions to the lunar surface and beyond.
  - $1.4 billion to enhance the capabilities and reduce the costs of the full range of NASA missions and provide new technologies to help the commercial space industry grow.
  - $915 million to enhance U.S. competitiveness in the global aviation industry that employs hundreds of thousands of Americans.
  - $20 million for the Office of STEM Engagement to expand initiatives to attract and retain underserved and underrepresented students in engineering and other STEM fields, in partnership with minority serving institutions and other higher education institutions.
  - $3 billion to operate the International Space Station and use it as a research laboratory in space.
  - Provides a $30 million increase to accelerate transformative science at the frontiers of biological and physical sciences research in space.
  - $57 million for the Space Grant College and Fellowship Program ($6 million increase over FY21) and $48 million for the Minority University Research and Education Project ($10 million increase over FY 2021 enacted).

**National Science Foundation**

- $10.2 billion, which is a 19.1% increase over FY 2021 enacted.
  - $1.2 billion for climate and clean energy research, which is $500 million above FY 2021 enacted
  - $100 million, which is a $50 million increase over FY 2021 enacted, for funding for programs that aim to increase participation in science and engineering of individuals from racial and ethnic groups who are traditionally underrepresented in these fields.
  - Proposes the creation of a new Technology Directorate at the agency focused on funding for emerging technologies areas, such as artificial
intelligence, disaster response and resilience, quantum information sciences, advanced communications and biotechnology.

- Proposes funding (but does not provide a funding level) for continued construction of major NSF research facilities, including the Vera C. Rubin Observatory to support astronomy research.
- Proposes $8.14 billion for research and related activities, $1.3 billion for education and human resources, and $249 million for major research equipment and facilities construction.
- Proposes $100 million, roughly a 50 percent increase, in funding for programs that aim to increase participation in science and engineering of individuals from racial and ethnic groups underrepresented in these fields.

**Tackling the Climate Crisis**

- Proposes $14 billion increase, compared to FY 2021 enacted, for new climate change investments in resilience and clean energy to achieve net-zero emissions by 2050, including the following:
  - $4 billion increase to fund research across multiple agencies, including the Department of Interior, NASA, NSF and other agencies to improve understanding of the changing climate and inform adaption and resilience measures.
  - $10 billion, which is a 35% increase over FY 2021 enacted, for clean energy innovations across non-defense agencies.
  - $1 billion to create a new ARPA for Climate (ARPA-C), which would invest in high-risk, high-reward solutions for adaption and resilience against the climate crisis.
    - $200 million at the Department of Energy
    - $95 million at the Department of Agriculture
    - $60 million at the Department of Interior
    - $50 million at the Department of Transportation
    - $40 million at the Department of Commerce (NOAA)
    - $30 million at the Environmental Protection Agency
    - $20 million at the Department of Homeland Security
    - $5 million at the Department of Housing and Urban Development
    - $500 million in unobligated balances.
  - $1.4 billion increase for NOAA to allow the agency to expand the climate observation and forecasting work and provide better data and information to decisionmakers.
  - $110 million for NIH’s Climate Change and Human Health program, a $100 million increase over the 2021 enacted level, to support research aimed at understanding the health impacts of climate change.
  - $110 million for CDC’s Climate and Health program, a $100 million increase over the 2021 enacted level, to identify potential health effects associated with climate change and implement health adaptation plans.
  - $2.3 billion for NASA Earth Science programs, an increase of $250 million above the FY 2021 enacted level, to initiate the next generation of Earth observing satellites to study pressing climate science questions.
Out of the $6.9 billion for NOAA, $800 million will be used to expand investments in climate research, support regional and local decision-making with climate data and tools, and improve community resilience to climate change.

- $100 million for NIH to support research aimed at health impacts of climate change.
- $1.2 billion for climate and clean energy-related research for NSF to address a broad portfolio of research related to climate science and clean energy, including research on atmospheric composition, water and carbon cycles, computational modeling of climate systems, renewable energy technologies, materials sciences, and social, behavioral, and economic research on human responses to climate change.

**Tax and Business**

- The American Jobs Plan includes proposals to restructures the corporate tax code to include a 28% corporate tax rate; and makes other changes to tax rates.
- Reduces tax treatment benefits for fossil fuels.
- The American Families Plan is intended to help families to cover expenses by providing direct support to children and families meeting certain income levels, and is intended to ensure that low and middle income families do not spend more than seven percent of their income on child care expenses.
- Extends and increases tax benefits including for the Child Tax Credit, the Earned Income Tax Credit and the Child and Dependent Care Tax Credit.
- Health insurance tax credits enacted as part of the American Rescue Plan would also be extended.
- Proposes changes to the income tax rates for individual and joint filers.
- Eliminates certain tax benefits related to capital gains, the estate tax and stepped up basis tax calculations.