

ANALYSIS OF THE BIDEN ADMINISTRATION'S FY2025 BUDGET REQUEST

On March 11, the White House released the administration's **FY2025 President's Budget Request (PBR)** to Congress. The \$1.629 trillion base request includes \$895 billion in discretionary defense spending and \$734 billion in non-defense discretionary spending. The **APLU appropriations priorities chart** details FY2023 and FY2024 (when available) appropriation levels, and the administration's FY2025 budget request levels.

The administration will likely continue publishing additional agency budget details throughout the week. The analysis will be updated as additional details become available. Because Congress had not yet finalized FY2024 funding prior to the administration completing their budget, the budget's proposed funding levels are compared to the final FY2023 levels. When possible, APLU compares levels in the budget to FY2024 enacted levels for the six enacted appropriations bills to date.

The President's Budget Request largely adheres to the funding levels outlined in the Fiscal Responsibility Act, which called for 1 percent growth in non-defense discretionary funding over FY2024 levels and a topline of \$1.6 trillion in FY2025. The PBR also includes significant proposed new mandatory spending. Due to these constraints, the budget does not allow for sustained year over year growth of many APLU priority accounts.

The budget proposes various levels of funding across APLU priority research accounts. As examples, the PBR proposes \$10.2 billion for the National Science Foundation, a 13 percent increase over FY2024; \$8.6 billion for the Department Energy Office of Science, a 5 percent boost to FY2024 levels; and \$48.3 billion for the National Institutes of Health, a 2 percent increase over FY2023. Priorities within the U.S. Department of Agriculture (USDA) vary by program.

On higher education, the PBR proposes to increase the maximum Pell Grant by \$750, including an increase of \$100 in discretionary funding for all institutions and \$650 in mandatory funding that would not be available to for-profit colleges. The PBR asks for \$2.7 billion for the Office of Federal Student Aid, a \$625 million increase above FY2023, to support loan borrowers, modernize digital infrastructure, and continue implementing the FAFSA Simplification Act.

Upon release of the Budget Request, APLU President Mark Becker released a <u>statement</u>, thanking the administration for its proposed increase to the Pell Award but noting the budget falls short in adequately supporting science and research.

This document represents an analysis of the request for the various agencies and programs of particular interest to APLU institutions. Below is information collected from the budget request about programs of interest in alphabetical order by department/agency.

FY2025 BUDGET LINKS

<u>Budget</u> <u>Analytical Perspectives</u> <u>Appendix</u> (including budget by agency)

DEPARTMENT OF AGRICULTURE (USDA) FY2025 BUDGET | NIFA

The PBR includes \$1.71 billion in discretionary funding for the National Institute of Food and Agriculture (NIFA). The NIFA budget request includes support for both capacity and competitive programs. The President's Budget Request includes \$2 million for the Research Facilities Act (RFA), a \$1 million increase over FY2023. The congressional justification states that the competitive program provides funding for the construction, alteration, acquisition, modernization, renovation, or remodeling of facilities that are supportive of research in food and agricultural sciences.

The budget includes \$475 million for the Agriculture and Food Research Initiative (AFRI). AFRI is the nation's premier competitive, peer-reviewed research program for fundamental and applied sciences in agriculture. Sixty percent of the funds are directed towards fundamental research and 40 percent towards applied research.

The request includes \$265 million for the Hatch program and \$325 million for Smith Lever 3(b) and 3(c), which are flat over FY2023 and FY2024. The request includes \$36 million for the McIntire Stennis Cooperative Forestry program, which is \$2 million below the FY2024 funding level. The request includes \$98 million for Evans-Allen capacity funds to support agricultural research activities at 1890s land-grant universities (LGUs), up 10 percent from FY2024.

Finally, the budget includes \$2 million for Women and Minorities in STEM Fields, the same level as FY2024. Per the request, the additional funding will allow Women and Minorities in Science, Technology, Engineering and Mathematics Fields Grant Program (WAMS) "to develop and implement robust collaborations to increase the representation, participation, and entrepreneurial skills and abilities of rural women and underrepresented minorities."

DEPARTMENT OF COMMERCE FY2025 BUDGET | COMMERCE

The administration's FY2025 budget requests \$11.4 billion for the Department of Commerce. As per the budget, the request builds on "significant investments the Biden-Harris Administration has already made to revitalize the domestic semiconductor industry, ensure everyone in America has access to quality, affordable high-speed interest, and bolster climate resilience nationwide

through the CHIPS and Science Act, Bipartisan Infrastructure Law, and Inflation Reduction Act."

ECONOMIC DEVELOPMENT ADMINISTRATION

FY2025 BUDGET | EDA

EDA has not yet released a detailed budget breakdown. The budget includes \$4 billion in mandatory funds for the Regional Technology and Innovation Hubs Program, building on the \$500 million investment in the Consolidated Appropriations Act of 2023. The budget requests \$50 million for the Regional Innovation Strategies Program, formerly known as Build to Scale. This level matches the FY2024 level and the program's authorized level.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA) FY2025 BUDGET | NOAA

The administration's FY2024 budget requests \$577 million for the Office of Oceanic and Atmospheric Research, a 12 percent cut from FY2024 levels, and \$72 million for the Sea Grant Program, a 10 percent cut from FY2024. The request zeroes out the Sea Grant Marine Aquaculture Program, with the budget noting "this program change is requested to support other NOAA and Administration priorities" and that the cut eliminates OAR support for development and commercialization of new technologies, the engineering of ocean-based infrastructure, and partnerships focusing on conducting aquaculture research.

NATIONAL INSTITUTE FOR STANDARDS AND TECHNOLOGY (NIST) FY2025 BUDGET | NIST

The budget request includes \$37 million for the Manufacturing USA Program (formerly known as the National Network for Manufacturing Innovation), the same funding level as FY2024. The request level continues support for two institutes sponsored by Commerce, nine by the Department of Defense, and seven by Energy.

The discretionary request also includes \$175 million for the Hollings Manufacturing Extension Partnership (MEP), the same as FY2024. MEP serves as "the primary source of assistance for growth-oriented small and medium-sized manufacturers, supporting operational resiliency and preparedness in responding to critical immediate and long-term needs.

DEPARTMENT OF DEFENSE (DOD) FY2025 BUDGET | DOD

The president's FY2025 discretionary request includes \$895 billion for DoD, including \$143.2 billion in research, development, test, and evaluation (RDT&E). DoD's press release notes the budget "makes critical investments to revitalize the defense industrial base, drive innovation, and take care of the Department's personnel." Despite the argument in DoD's press release, the total request for RDT&E is just \$2.3 billion over the FY2023 level. The request also includes a

\$350 million reduction in funding for basic research, dropping total investment to \$2.4 billion. Most of the university-based research programs tracked by APLU would receive significant cuts under the proposal, with the biggest exception being the Defense Advanced Research Projects Agency (DARPA), which would receive an 8 percent increase over FY2023.

DoD's FY2025 budget documents provide additional information.

DEPARTMENT OF EDUCATION (ED): STUDENT AID AND HIGHER EDUCATION FY2025 BUDGET | ED

The PBR proposes to increase funding for the Department of Education (ED) to \$82 billion in discretionary funding, a \$3.1 billion (3.9 percent) increase over the 2023 enacted level.

The PBR proposes to increase the maximum Pell Grant award to \$8,145 for the 2025-2026 academic year through a mix of both mandatory and discretionary spending, an increase of \$750 or 10 percent over the 2023-2024 academic year. On the discretionary spending side, the PBR proposes a \$100 increase over FY2023 levels. The PBR also includes a \$650 increase to the mandatory add-on award for Pell, which would only be available for public and nonprofit institutions, thus excluding for-profits. The budget notes that this would build on the bipartisan increases to the maximum Pell Grant award over the past two years, which have totaled \$900, and would provide a path to double the maximum award to \$13,000 by 2029 for students attending public and nonprofit institutions. The administration also notes its continued interest in working with Congress to enable Dreamers to access all Title IV federal student financial aid. The plan also includes a federal-state partnership to achieve free community college and tuition subsidies for qualifying students at Historically Black Colleges and Universities and Minority Serving Institutions.

The request calls for \$1.2 billion for the TRIO program, an additional \$26 million over FY2023 appropriations, representing an increase of 2 percent. The PBR also requests \$398 million for GEAR UP, a \$10 million or 3.1 percent increase over FY2023. Additionally, the PBR proposes to increase funding for the Child Care Access Means Parents in Schools (CCAMPIS) program to \$80 million, an increase of \$5 million or 6.7 percent over FY2023.

The PBR proposes to flat fund the Supplemental Educational Opportunity Grant (SEOG) program at \$910 million and provide a \$2 million (0.2 percent) increase to the Federal Work Study (FWS) program to \$1.2 billion. The PBR would flat fund the Graduate Assistance for Areas of National Need (GAANN) program at \$23.5 million. The PBR would cut Title VI international education programs by \$4 million or 5 percent, for a total of \$81.5 million.

The PBR would provide robust funding increases to Title III and Title V programs for FY2025. This includes a discretionary request of \$855.1 million for Title III Aid for Institutional Development, an increase of \$71.7 million or 9 percent over FY2023. Title III funds Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), and Minority-Serving Institutions (MSIs), as well institutions eligible for the Strengthening Institutions Program (SIP). It also includes \$276.3 million in Title V aid for Hispanic Serving Institutions (HSIs), an increase of \$21.2 million or 8 percent more than FY2023.

Further, the PBR proposes to increase funding for the Fund for the Improvement of Postsecondary Education (FIPSE) to \$262 million, up \$78 million over FY2023. As a part of this increase, the Postsecondary Student Success Grant (PSSG) program would more than double to receive \$100 million, an increase of \$55 million over FY2023. It would also include \$100 million for the existing HBCU, TCCU, and MSI Research and Development Infrastructure Grants program, and create three new programs: \$25 million for a new student mental health and nonacademic needs program, \$15 million to states for statewide improvements to improve postsecondary access and success, and \$10 million for a Postsecondary Advancement and Success Technical Assistance Center. FIPSE's budget would include \$12 million for the Open Textbooks Pilot Program.

Separately, the PBR calls for \$815.5 million for the Institute of Education Sciences (IES). The PBR proposes to rescind \$25 million in unobligated FY2024 balances from the Statewide Longitudinal Data Systems and Regional Educational Laboratories accounts expected to be carried over into FY2025. Thus, the result is a proposed FY2025 appropriation of \$790 million, a cut of \$18 million or 2.3 percent below FY2023.

Of note, the PBR also calls for \$2.7 billion for Student Aid Administration, including the ED Office of Federal Student Aid (FSA), a \$625 million increase over the FY2023 level. Congress flat-funded FSA in FY2023, which some have blamed for some of the challenges updating FSA's 40-year-old computer systems and implementing the FAFSA Simplification Act. The PBR also proposes eliminating student loan origination fees.

The PBR proposes the new Reducing the Costs of College Fund, a \$12 billion mandatory program over 10 years, including Incentivizing Excellence, a \$2.4 billion competitive grant for public institutions to scale up strategies that deliver a quality affordable education; Classroom to Career, a \$7.2 billion grant program for states to support dual enrollment; and Scaling Evidence-Based Strategies, a \$2.4 billion proposal to scale up interventions with moderate or strong evidence to increase college completion and reduce cost per graduate.

DEPARTMENT OF ENERGY (DOE) FY2025 BUDGET | DOE

The president's FY2024 budget requests \$51 billion for DOE, a \$3.6 billion or 7.5 percent increase from the agency's FY2023 allocation. The budget provides the allocation will make investments to lay the foundation to build a clean and equitable energy economy.

The discretionary request invests \$8.6 billion, an increase of more than \$380 million or 5 percent over FY2024, in DOE's Office of Science to advance "toward the authorized level in the CHIPS and Science Act to support cutting-edge research at DOE's 17 National Laboratories." Within the Office's allocation, the budget includes \$800 million to advance basic research and also expands innovation in microelectronics.

The PBR includes \$450 million for the Advanced Research Projects Agency – Energy (ARPA-E), a decrease of \$10 million from FY2024.

DEPARTMENT OF HEALTH AND HUMAN SERVICES FY2025 BUDGET | HHS

NATIONAL INSTITUTES OF HEALTH (NIH) FY2025 BUDGET | NIH

The FY2025 President's budget provides \$48.3 billion for the NIH base budget (excluding Advanced Research Projects Agency-Health, ARPA-H), an increase of \$841 million or 1.7 percent above FY2023 enacted. The NIH budget proposal specifically highlights \$1.4 billion in mandatory funds and \$716 million in discretionary spending for the administration's Cancer Moonshot Initiative, which aims to reduce the cancer death rate by at least 50 percent over the next 25 years. The request also includes funding for pandemic preparedness (\$3.7 billion) and influenza research (\$327 million).

The proposal also calls for \$1.5 billion for the Advanced Research Projects Agency for Health (ARPA- H).

DEPARTMENT OF INTERIOR (DOI)

FY2025 BUDGET | DOI

The Department of Interior Joint Fire Science Program and the USDA Forest Service both request \$4 million each with a total request of \$8 million, an increase of \$2 million compared to the FY2024 enacted level. Additionally, the request includes \$29.7 million for Cooperative Research Units within the United States Geological Survey (USGS), an increase of \$1.5 million over FY2024.

The PBR zeroes out the Water Resources Research Act Program, which was funded at \$15.5 million in FY2024. The request notes the program is "a Federal-State partnership that promotes State, regional, and national water resources research coordination" and that "the reduction would end USGS involvement in coordination and administrative support for all grants to the Water Resource Research Institutes."

DEPARTMENT OF STATE FY2025 BUDGET | STATE

The PBR would provide \$777.5 million for the Department of State Educational and Cultural Exchange (ECE) Programs, the same as FY2023 levels, of which \$378.8 million is marked for Academic programs. The PBR includes \$15.9 million for the Benjamin A. Gilman International Scholarship Program, a 6 percent increase from FY2023 funding.

ENVIRONMENTAL PROTECTION AGENCY (EPA) FY2025 BUDGET | EPA

The budget includes \$1 billion for the Environmental Protection Agency Office of Science and Technology, a 33 percent increase over FY2024 levels. All programs within the Office received increases, with the Clean Air and Climate and Homeland Security programs receiving particularly robust increases.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) FY2025 BUDGET | NASA

The administration's FY2024 budget requests \$25.4 billion for NASA, a level equal to FY2023 funding.

The administration requests \$7.6 billion for the Science Mission Directorate, which represents a 3 percent decrease from FY2023 while noting the Directorate supports five major science areas: Earth Science, Planetary Science, Astrophysics, Heliophysics, and Biological and Physical Sciences.

The discretionary request includes \$2.4 billion for Earth Science programs, an increase of \$203 million (9 percent) above the FY2023 enacted level. "The request transfers \$22 million from Earth Science Research program to the new Responsive Science Initiatives Program for the following components starting in FY2025: Greenhouse Gas Center, Earth Information System, Wildfires, NASA contributions to the Joint Center for Satellite Data Assimilation, and Short-term Prediction Research and Transition Center (SPoRT). Funding from Research and Analysis (R&A) for the Student Airborne Research Program is transferred to the Early Career Research project."

For NASA's Space Technology portfolio, the administration requests \$1.2 billion, 1 percent below FY2023 enacted levels. The request notes the investment will "will advance mission capabilities and technologies needed to grow the commercial space economy and support NASA's missions, including integrated Moon to Mars efforts, through strategic partnerships, and leveraging early- stage innovators." The PBR also includes \$57 million for the Space Grant program, \$1 million less than in FY2023. Per summary documents, the budget supports base awards for 52 consortia to: "provide handson learning experiences for U.S. graduate and undergraduate students to prepare them for the future workforce and/or academic careers; continue support for student internships across all consortia; conduct programs and projects that align with NASA STEM engagement and mission directorate priorities, the National Science and Technology Council's Committee on STEM priority areas, and state-specific needs to build STEM pathways in higher education, research infrastructure, pre-college, and information education; and continue progress of the SG KIDS awardees in expanding access to NASA-aligned activities in historically underrepresented student populations."

NATIONAL SCIENCE FOUNDATION (NSF) FY2025 BUDGET | NSF

The administration's FY2024 budget request for NSF is \$10.2 billion, a \$1 billion increase from the FY2024 enacted level (\$9.06 billion). NSF's budget request rests on three pillars: Strengthening Established NSF; Inspiring Missing Millions; and Accelerating Technology and Innovation.

The budget request highlights a proposed \$900 million for the CHIPS and Science Act authorized Directorate for Technology Innovation and Partnerships (TIP) to accelerate technology development in emerging areas crucial to U.S. technological leadership. Within TIP the budget proposal calls for \$205 million to invest in the Regional Innovation Engines program.

The budget proposal includes a \$175 million investment in addressing "microelectronics and semiconductor challenges facing our Nation due to technological and global trends."

Finally, the budget proposal highlights \$387 million for research and development in advanced manufacturing, \$168 million in advanced wireless, \$729.1 million for artificial intelligence, \$421 million for biotechnology, and \$295 million for quantum information science and \$2.4 billion for research infrastructure at NSF.

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) FY2025 BUDGET | USAID

The request "prioritizes funding for the 20 Feed the Future target countries and resilience focus countries. Resource allocation will continue to target systems-level changes to improve food security, reduce poverty and malnutrition, and promote more resilient and sustainable agricultural productivity."

As is customary, the PBR does not include specific funding level requests for Feed the Future Innovation Labs or "Higher Education" within Development Assistance.