

Summary of the FY 2025 President's Budget Request

On March 11, 2024, President Joe Biden released his fiscal year (FY) 2025 budget request. The \$7.3 trillion budget blueprint includes approximately \$1.7 trillion in discretionary funding, which is about 2 percent above the current year's level. Of note, the topline discretionary limit was previously agreed to by Congress as part of last year's debt limit suspension deal (1 percent). The proposal—which is unlikely to be adopted by Congress—includes a wide array of spending aimed at making college more affordable, lowering health care costs, making housing more affordable, increasing child care funding and much more, but would rely on tax increases on wealthy households and corporations.

Below are highlights of the FY 2025 president's budget request, while a chart with the specific funding levels for UC's FY 2024 appropriations priorities can be [found here](#).

EDUCATION

- **Federal Student Aid:**
 - Includes a Pell Grant maximum award of \$8,145 for award year 2025-26, which represents an increase of \$750 over the 2024-2025 award year. This includes a \$100 increase in the maximum award in discretionary funding and a \$650 increase to mandatory funding for the program. This continues the president's commitment to double the maximum Pell Grant award so that it reaches \$13,000 by 2029 for students attending public and non-profit institutions. The Department of Education's 2025 budget request also proposes to eliminate origination fees, which are charged to borrowers on every new federal student loan taken out.
 - The budget request also supports expanded access to all Title IV federal student aid programs, including Pell Grants and campus-based aid eligibility, to Deferred Action for Childhood Arrivals (DACA) recipients.
- **Minority Serving Institutions:**
 - Provides \$1.4 billion in discretionary and mandatory funding to expand capacity at institutions of higher education that serve high proportions of students of color. This includes a discretionary request of \$855.1 million for Aid for Institutional Development (Title III, which funds Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs) and Minority Serving Institutions (MSIs)).
 - The department's budget request also includes a proposal to provide funding for two years of subsidized tuition up to \$4,500 per year for students from families earning less than \$125,000 enrolled in at four-year HBCUs, TCCUs or MSIs.
 - In addition, \$276.3 million for Aid for Hispanic-Serving Institutions (Title V) is requested, representing an increase of 8.3% over current annualized continuing resolution levels.

- **Basic Needs:** Includes investments to promote academic success by providing resources to support students' basic needs, including increased funding to help students access non-student aid public benefits and to provide affordable child care for low-income parenting students. This includes:
 - \$262 million for the Fund for the Improvement of Postsecondary Education (FIPSE), which supports a wide range of activities to support state and institutional reforms and innovative and promising programs with the potential to transform postsecondary education and reduce barriers to and support the successful completion of postsecondary education credentials for underserved students.
 - \$80 million for the Child Care Access Means Parents in Schools (CCAMPIS) program, an increase of \$5 million over FY 2023 enacted.
 - A new Comprehensive Postsecondary Student Supports program that would provide grants to institutions of higher education, consortia or systems of institutions of higher education to improve institutional support for basic and mental health needs and strengthen institutional and systemwide capacity to better leverage the internal and external resources needed to address the full range of barriers to student success.

RESEARCH

- **National Science Foundation:**
 - The budget proposes \$10.2 billion in discretionary funding for the National Science Foundation (NSF), a \$1.14 billion increase (12.6% increase) over FY 2024 enacted.
 - Additionally, the budget recommends more than \$2 billion for research and development (R&D) in critical emerging technology areas in alignment with the CHIPS and Science Act priorities of boosting U.S. competitiveness in science and technology, including artificial intelligence (AI), advanced manufacturing, advanced wireless, biotechnologies, microelectronics and semiconductors, and quantum information science, as well as \$18 million for research security activities at NSF to identify risks to the U.S. research enterprise and to develop policies and best practices to mitigate against these risks.
- **National Institutes of Health:**
 - The budget proposes a \$50.117 billion program level for the National Institutes of Health (NIH), including \$46.39 billion in discretionary funding, \$1.448 billion in new mandatory funding for the Cancer Moonshot and \$2.69 billion in new biodefense mandatory funding.
 - Within these funds the budget proposes a \$77 million increase for women's health research, doubling the funding currently available and proposing a new nationwide network of centers of excellence in women's health.
- **Advanced Research Projects Agency-Health:**
 - The budget proposes flat funding for ARPA-H at \$1.5 billion in discretionary appropriations.
- **Department of Energy:**
 - The budget proposes \$8.6 billion for the Office of Science, which is a \$360 million increase (4% increase) over FY 2024 enacted.

- The budget proposes \$450 million for Advanced Research Projects Agency–Energy (ARPA-E), which is a \$10 million decrease (2.1% decrease) from FY 2024 enacted.
- Additionally, the budget proposes \$455 million “to extend the frontiers of AI for science and technology.”
- **Department of Agriculture:**
 - The budget proposes \$475 million for the Agriculture and Food Research Initiative (AFRI), which is a \$29.8 million increase (6.6% increase) over the FY 2024 enacted level of \$445.2 million.
 - The budget proposes \$265 million for Hatch Act capacity grant funding, which is the same level as the FY 2024 enacted level; \$325 million for Smith-Lever 3(b)-3(c), which is the same as the FY 2024 enacted level; and \$36 million for McIntire-Stennis funding, which is a \$2 million decrease (5.2% decrease) from the \$38 million enacted level in FY 2024.
 - The budget also proposes \$90 million for the Expanded Food and Nutrition Education Program (EFNEP), which is a \$20 million increase (28.5% increase) over the FY 2023 enacted level. The budget summary suggests that the increase in EFNEP funding is designed to balance out discrepancies between the treatment of 1890 Land Grant Universities and 1862 Land-Grant Universities.
 - The budget request also proposes the creation of a “Chief Artificial Intelligence Officer,” who would oversee the “safe and responsible application of AI in advancing productivity” of the nation’s agriculture sector.
- **National Aeronautics and Space Administration:**
 - The budget proposes \$7.56 billion for the Science Mission Directorate, which is a \$226 million increase (3% increase) over FY 2024 enacted.
 - Within the Science Mission Directorate, the budget proposes \$2.378 billion for Earth Science, which is a \$205 million increase (8.3% increase) over FY 2024 enacted.

HEALTH CARE

- **Biodefense:** The budget includes \$20 billion in mandatory funding over five years for the U.S. Department of Health and Human Services in support of the biodefense priorities outlined in the 2022 *National Biodefense Strategy*. These funds include \$10.5 billion for the Administration for Strategic Preparedness and Response (ASPR), \$6.1 billion for the Centers for Disease Control and Prevention (CDC), \$2.69 billion for the NIH and \$670 million for the Food and Drug Administration (FDA).
- **Telehealth:** The budget proposes a permanent extension of current Medicare payment policies for telehealth services, which expire on Dec. 31, 2024. The budget also proposes banning hospitals from charging facility fees on telehealth visits and “certain outpatient services.”
- **Maternal Health:** The budget proposes investing \$376 million in maternal health, an increase of \$82 million above FY 2023 levels, to support the ongoing implementation of the White House *Blueprint for Addressing the Maternal Health Crisis*. Mandatory proposals in maternal health include expanding Medicaid maternal health support services during pregnancy and postpartum as well as requiring all States to provide continuous Medicaid coverage for 12 months postpartum.

- **Mental and Behavioral Health:** The budget proposes \$56.5 million (29%) increase for the Health Resources and Services Administration's behavioral health workforce development programs as well as making permanent recent expansions of the Certified Community Behavioral Health Clinics and Community Mental Health Centers programs.
- **Hospital cybersecurity:** The budget proposes \$1.3 billion over ten years for Medicare's Promoting Interoperability Program to provide financial incentives for hospitals to adopt cybersecurity best practices – including both reimbursement bonuses and penalties.
- **Public health response to community violence:** The budget includes \$2.5 billion over 10 years for the CDC to support evidence-based community violence initiatives.
- **Medicare Hospital Insurance Trust Fund:** The budget proposes extending the solvency of the Medicare Hospital Insurance (HI) trust fund indefinitely by increasing the Medicare tax rates on individuals making more than \$400,000 per year.

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