



Budget Review FY 2003

DOD

University of California • Office of Federal Governmental Relations

Partners: The University of California & The Department of Defense:

The Department of Defense (DOD) supports an extensive program of research and development. Most of the extramural program is applied research and development, and it is carried out by industry. However, DOD does support considerable fundamental research in university laboratories and this funding is vital to the nation's engineering, mathematics and computer science efforts. DOD now provides about 41 percent of all federal support of basic engineering research at universities. The level of support is even greater by specific field: DOD provides about 60 percent of the total federal support for electrical engineering; 55 percent of the federal support for computer science, 41 percent of the federal support for materials research; 54 percent of the mechanical engineering, and 60 percent of the computer sciences research. DOD also supports a high percentage of federally funded graduate students in relevant fields: 45 percent in computer sciences, 48 percent in aerospace engineering, 42 percent in electrical engineering, and 30 percent in metallurgy/materials engineering.

DOD awards continue to be extremely important for the support of UC research in the physical sciences and engineering. In 2000, UC received 623 awards for over \$147 million in research contracts and grants from DOD. Several large UC research programs continue to be supported by the DOD. Examples include: nanotechnology programs at UCLA, UC Santa Barbara and Riverside, several ARPA funded programs in computing, information sciences and communications at UC Berkeley; the ONR-funded program in Navy-related technologies at UC San Diego; and the ARPA-funded study of adaptive computer systems at UC Irvine. In addition, the Army Medical Research Office continues to award major research programs for the study of breast cancer to UC health science centers.

FY 2003 Budget Highlights

The President's budget request calls for \$369 billion, a \$39 billion (11 percent) increase in defense spending over FY 2002 but the Defense Department does not request an increase basic research funding above FY 2002 levels. The Administration proposes decreases in FY 2003 for the basic research accounts, and most of the applied research accounts would fall slightly: While the total Research, Development, Test and Evaluation (RTD&E) budget, including the services, is up 11 percent, or \$5.35 billion. Applied Research (6.2) across DOD, including the services is down 7.5 percent, or \$307 million. Basic Research (6.1) across DOD, including the services, is down 1 percent, or \$11 million. The combined 6.1 and 6.2, across DOD, including the services, is down 5.8 percent, or \$318 million.

Two areas of growth for the basic research budget are in connection with the Administration's proposal for the Information Technology Initiative (IT²) and the Nanotechnology Initiative. The IT² initiative spans six agencies for a total budget of \$823 million in FY 2001. The Department of Defense is responsible for \$397 million of the Information Technology Initiative, which is funded primarily through the University Research Initiative, DARPA and ARDA accounts. It supports fundamental information technology research and the related equipment necessary to facilitate advances in information science and technology.

University of California
Office of Federal Governmental Relations
1608 Rhode Island Avenue, N.W.
Washington, DC 20036
Ph: 202-974-6300 • Fax: 202-974-6330
www.ucop.edu/uer/fed/welcome.html

FY 2001 Budget Request (\$ in Millions)	FY 2002	FY 2003	% Change 02 to 2003	\$ Change
RDT&E	48,505	53,856	11.03%	5,351.00
Basic (6.1)	1.376	1.365	-0.80%	-0.011
Applied (6.2)	4.086	3.779	-7.51%	-0.307
RDT&E Army	7.0527	6.9184	-1.90%	-0.134
Basic (6.1)	0.2319	0.2374	2.37%	0.006
Applied (6.2)	0.9095	0.6422	-29.39%	-0.267
RDT&E Navy	11.389	12.501	9.76%	1.112
Basic (6.1)	0.4045	0.4099	1.33%	0.005
Applied (6.2)	0.7766	0.5803	-25.28%	-0.196
RDT&E Air Force	14.5476	17.6010	20.99%	3.053
Basic (6.1)	0.2263	0.2191	-3.18%	-0.007
Applied (6.2)	0.7681	0.7429	-3.28%	-0.025
RDT&E Defensewide	15.28	16.61	8.70%	1.329
Basic (6.1)	0.5134	0.4988	-2.84%	-0.015
Applied (6.2)	1.631	1.8599	14.03%	0.229
	5.462	5.144	-5.82%	-0.318

UC FY 2003 Preliminary Budget Priorities

- Provide \$11 billion overall for DOD Science & Technology programs for Fiscal Year 2003 instead of the \$9.67 billion requested. Increase defense basic research to \$1.5 billion from the 2002 level of \$1.35 billion. The Administration's proposal does not provide for any increase in basic research and cuts funding for applied research by 7.5 percent. The \$11 billion level would constitute an investment of three percent of the DOD budget in the basic and applied research programs at DOD. This investment level is consistent with the recommendations of the Defense Science Board and the Quadrennial Defense Review. The investment level of \$11 billion will create the next generation of war-fighting tools our military needs to maintain its dominant technological edge. If we fall behind the consequences are enormous for the safety of our service members, and the security of our nation, and the stability of our world. Furthermore, this investment will maintain critical levels of support for the scientific disciplines historically funded through Defense and our technological advantage in areas critical to our economic growth.
- Support DOD's portion of the IT² initiative and the \$424 million requested for DARPA's Computing Systems and Communications Technology. California is highly competitive for these funds given the strength of our research universities and the high concentration of defense-related industries across the state.
- Continue support for DOD's materials and nanotechnology research efforts. We urge support for the increase to \$440 million in the Materials and Electronics Technology portion of the Defense-wide applied research account. UC schools have some of the most promising nanotechnology research programs in the country. The increased federal support for nanotechnology research will greatly benefit future defense missions, the high technology industry in California and the nation, and ongoing and future research at the University of California.

Congressional FY-03 Actions

- UC applauds the House Appropriations Committee action to increase defense research accounts (6.1-6.3) by 15 percent over last year's levels.
- UC is supportive of the House Authorization Committee's efforts to increase the services basic research accounts above FY-02 levels.
- UC strongly supports the Nanotechnology initiatives at DOD and appreciates the strong congressional support by the CA delegation on those initiatives.
- UC urges Congress to support the highest level possible for defense basic (6.1) and defense applied (6.2) research. The discoveries created by this research are vital to national security, to a strong and well trained scientific workforce and produce general economic benefits from many discoveries. (Several pervasive examples of defense-related research that is in common usage include: the internet, Global Positioning System devices, space-based weather satellites, communications technologies (cell phones, switching systems, lasers in fiber optics), computational advances that allow complex predictions of weather, improved imaging systems that help detect diseases using PET or CATScan technologies).