Fiscal Year 2018 Omnibus Agreement Summary

On March 21, House and Senate appropriators released details of the $1.3 trillion fiscal year (FY) 2018 omnibus appropriations package. The House approved the package on March 22 in a vote of 256-167. The Senate approved the package on March 23 in a vote of 65-32, which was also signed into law by President Trump on March 23.

Below is a high-level summary of the agreement for the higher education, research and health care programs, as well as select policy issues, of importance to the University of California.

**Higher Education and Student Financial Aid**

The bill funds the Department of Education (ED) at $70.9 billion, a $3.9 billion increase above the comparable FY 2017 level. The bill increases the maximum Pell Grant by $175 (3 percent), to a total of $6,095 including mandatory funding. UC is pleased that the omnibus appropriations bill continues support for year-round Pell Grants. The omnibus, however, does not provide additional discretionary funding to cover the cost of increasing the maximum Pell award and extending the summer Pell award, meaning that the reserve of previously appropriated Pell Grant funding will be tapped to pay for the additional cost, which is estimated to be $1 billion.

Public Service Loan Forgiveness (PSLF): The bill sets aside $350 million and modifies eligibility for the PSLF program so that student borrowers are deemed eligible for PSLF if they were enrolled in an ineligible repayment plan, but would otherwise have qualified for PSLF.

The following programs are funded at the levels listed below for FY 2018:

- **Supplemental Educational Opportunity Grants (SEOG)**, $840 million ($107 million increase);
- **Federal Work-Study**, $1.13 billion ($140 million increase);
- **Title VI, International Education**, $72 million;
- **Aid for Hispanic Serving Institutions**, $134 million ($17 million increase); and
- **Teacher Quality Partnerships**, $43 million.

The **Graduate Assistance in Areas of National Need (GAANN)** program is cut by $5 million, to $23 million, and the **Institute for Education Sciences (IES)** is increased by $8 million to $613 million.

The following programs will receive increases for the academic year 2018-19:

- $1.01 billion for TRIO, $60 million above the 2017 enacted level;
- $350 million for GEAR UP, $10 million above FY 2017; and
- $117 million for the **Office for Civil Rights**, $8.5 million more than FY 2017.

The bill includes $1.68 billion for the **Student Aid Administration**, which is an increase of $102 million for ED to maximize the efficiency and effectiveness of the student aid programs.

The National Endowment for the Arts and the National Endowment for the Humanities each received an increase of $2.9 million and are each funded at $152.8 million for FY 2018.
RESEARCH

The following are research highlights in the omnibus bill:

- **National Institutes of Health (NIH)** will receive a $3 billion (8.8 percent) increase over FY 2017 for a total of $37.084 billion (including $496 million for the Cures Act initiatives). The legislation also prohibited the administration from imposing a 10 percent cap on NIH research facilities and administrative costs.

- **National Science Foundation (NSF)** is funded at $7.77 billion, a $295 million (3.9 percent) increase over FY 2017.

- **Department of Energy Office of Science (OS)** is funded at $6.26 billion, an $868 million (16 percent) increase over FY 2017. The Advanced Research Projects Agency-Energy (ARPA-E), which the administration proposed to eliminate, is funded at $353 million, a $47 million (15 percent) increase over FY 2017.

- **Defense Basic Research (6.1)** is funded at $2.34 billion, an increase of $67 million (3 percent) above FY 2017. Overall, the Defense science and technology programs (6.1-6.3) are boosted by roughly 6 percent – to $14.9 billion. Defense Advanced Research Projects Agency (DARPA) is funded at $3.1 billion, an 8 percent increase over FY 2017.

- **National Aeronautics and Space Administration (NASA) Science Mission Directorate** is funded at $6.22 billion, a $457 million (7.9 percent) increase over FY 2017.

- **U.S. Department of Agriculture’s (USDA) Agriculture and Food Research Initiative (AFRI)** competitive grants program is funded at $400 million, a $25 million (6.7 percent) increase over FY 2017.

- **National Nuclear Security Administration (NNSA) weapons activities** are funded at $10.6 billion, an increase of $1.4 billion above FY 2017. No funding is provided for new capabilities as proposed in the 2018 Nuclear Posture Review.

NIH is funded at $37.084 billion, an increase of $3 billion, or 8.8 percent, above the level enacted in FY 2017. This includes $496 million for the 21st Century Cures Act. This increase will help UC retain talented biomedical researchers, including many early career researchers who depend upon a steady stream of robust NIH funding. Furthermore, the omnibus bill prohibits the administration from imposing a 10 percent cap on NIH support for research facilities and administrative expenses; and retains the salary cap at Executive Level II of the federal pay scale.

The bill also provides the following funding increases of interest to UC:

- $400 million for the Brain Research through Advancing Innovative Neurotechnologies (BRAIN) Initiative, an increase of $140 million;
- $1.828 billion for Alzheimer’s disease research, an increase of $414 million;
- $5.66 billion for the National Cancer Institute;
- $542.8 million for the Clinical and Translational Science Award, an increase of $26.7 million;
- $500 million for a new initiative to research opioid addiction, development of opioids alternatives, pain management and addiction treatment;
- $350.6 million for the Institutional Development Award, a $17.2 million increase; and
- $290 million for the All of Us precision medicine study, an increase of $60 million.

NSF is funded at $7.77 billion, a $295 million (3.9 percent) increase over FY 2017. Within the total, Research and Related Activities are funded at $6.3 billion, a $301 million increase above FY 2017. Education and Human Resources (EHR) programs are funded at $902 million, and the Major Research Equipment and Facilities Construction (MREFC) account is funded at $182.8
The bill contains no directorate level funding instructions. The Large Synoptic Survey Telescope (LSST) is funded at $57.8 million. The Hispanic Serving Institutions (HSI) program is funded at $30 million.

Department of Defense (DOD) Research and Development is funded at $89.2 billion, a $16 billion increase above FY 2017. Highlights include:

- **6.1-6.3 Defense Science and Technology programs**: $14.9 billion, a 6 percent increase above FY 2017. Defense basic research (6.1) is funded at $2.34 billion, a $67 million (3 percent) increase above FY 2017. The 6.2 and 6.3 research accounts received 7.3 percent and 6.2 percent increases, respectively.
- **DARPA** is funded at $3.1 billion, an 8 percent increase above FY 2017.
- **Defense Medical Research** is funded at $1.1 billion, roughly $80 million above FY 2017, including $359 million for cancer research and $125 million for traumatic brain injury and psychological health research.

Department of Energy:

- **OS** is funded at $6.26 billion, which is $868 million (16 percent) above FY 2017. Within OS, $205 million is provided for the Exascale Computing Project; $110 million is for the Energy Frontier Research Centers; $94 million is for the Lawrence Berkeley National Laboratory’s National Energy Scientific Computing (NERSC) Center; and $79 million is for the Energy Sciences Network (ESnet).
- The **Office of Energy Efficiency and Renewable Energy (EERE)**, which supports clean energy technologies development, is funded at $2.3 billion, a $231 million increase above FY 2017 – despite proposals to cut its programs by more than 50 percent. Within EERE, $305 million is provided for advanced manufacturing initiatives, a $47.5 million increase over FY 2017. The total includes $70 million for five Clean Energy Manufacturing Innovation (CEMI) Institutes. EERE Building Technologies programs are funded at $220.7 million, a $21.6 million increase over FY 2017.
- **NNSA Weapons Activities** are funded at $10.6 billion, an increase of $1.4 billion over FY 2017, and **Defense Nuclear Nonproliferation** is funded at $2 billion, an increase of $116 million above FY 2017. Within NNSA, $161 million is provided for the exascale computing initiative.
- **ARPA-E**, which the administration proposed to eliminate, is funded at $353 million, a $47 million (15 percent) increase over FY 2017.

**NASA** is funded at $20.7 billion, a $1.08 billion (5.5 percent) increase over FY 2017. The **Science Mission Directorate** is funded at $6.2 billion, a $457 million (7.9 percent) increase over FY 2017, and **Space Exploration** is funded at $4.8 billion, a $466 million increase over FY 2017. Important to UC, the Space Grant College and Fellowship Program was flat funded at $40 million; and the Wide-Field Infrared Survey Telescope (WFIRST) is funded at $150 million, despite the administration’s FY 2019 proposal to terminate the program.

**National Oceanic and Atmospheric Administration (NOAA)** is funded at $5.9 billion, a $234 million increase above FY 2017. The Office of Oceanic and Atmospheric Research (OAR) is funded at $477.7 million, a $15.7 million (4 percent) increase above FY 2017. OAR Climate Research and other ocean observing programs important to UC are roughly flat funded, in lieu of major cuts proposed by the administration and the House.

**USDA National Institute of Food and Agriculture (NIFA)** programs are funded at $1.408 billion, which is $44.9 million more than in FY 2017. The AFRI competitive grants program is
funded at $400 million, a $25 million increase over FY 2017. Other extramural research, extension and integrated activities programs important to UC were held flat – including Hatch, Smith-Lever 3(b)-(c), McIntire-Stennis and the Expanded Food and Nutrition Education Program (EFNEP).

Department of Homeland Security, Science and Technology Directorate: Research, Development and Innovation programs are funded at $469.3 million, a $39.2 million increase above FY 2017. University Programs are flat funded at $40.5 million.

US Geological Survey (USGS) is funded at $1.148 billion, which is $63 million above FY 2017. Several USGS programs are of importance to UC campuses and the UC Division of Agriculture and Natural Resources (UCANR):

- **Earthquake Hazards Program**: $83.4 million, a $20.1 million increase above FY 2017. Of this amount, $22.9 million is included to continue development of the Earthquake Early Warning (EEW) System and the rollout of ShakeAlert. Within that total, $10 million is for capital costs associated with the EEW. UC campuses and other California universities are instrumental in this work.
- **Global Seismographic Network (GSN)**: $6.653 million, which is equal to FY 2017.
- **Water Resources Research Institutes (WRRI)**: $6.5 million (flat funding) for WRRIs, including the California Institute for Water Resources, which is part of UCANR.
- **Land Resources (formerly Climate and Land Use Change)**: The bill provides $152.5 million, a $3.2 million increase for programs formerly known as “Climate and Land Use Change.” Within the total, $25.34 million is provided for National and Regional Climate Adaptation Science Centers, a level equal to the amount provided in FY 2017.

US Agency for International Development (USAID) – Feed the Future Food Security Innovation Labs are funded at $55 million, a $5 million increase above FY 2017. Funding is also provided for higher education partnerships between the US and developing countries for institutional capacity building, including $15 million for new partnerships that must be competed and awarded within one year of enactment of the measure.

**HEALTH**

Healthcare Workforce Development and Training: The bill includes funding for workforce training for nurses and physicians who practice in underserved areas by appropriating a total of $645.7 million for Title VII (physician workforce) and VIII (nurse workforce) programs, a $107.5 million (20 percent) increase over the FY 2017 funding level. Of this sum, $396.2 million is for Title VII workforce training in FY 2018, an increase of $87 million (28 percent) over the FY 2017 funding level. Also, $105 million is appropriated for the National Health Service Corps (NHSC) on top of the $310 million mandatory fund, bringing its total to $415 million, a 33.9 percent increase over FY 2017. Title VIII workforce training is funded at $249.5 million, an increase of $20.5 million (9 percent) above FY 2017.

Agency for Healthcare Research and Quality (AHRQ): The bill provides $334 million in AHRQ funding, a $10 million increase above FY 2017. AHRQ’s mission includes producing evidence to make health care safer and of higher quality, as well as more accessible, equitable and affordable. UC’s five academic medical centers are beneficiaries of AHRQ advances.

Centers for Disease Control and Prevention (CDC): The bill prioritizes disease prevention as requested by UC system. In FY 2018, $8.30 billion would be appropriated to CDC programs. This represents an increase of $1.05 billion, or 14.4 percent over the FY 2017 funding level.
National Institute for Occupational Safety and Health (NIOSH): The omnibus provides $335.2 million for NIOSH in overall funding. This funding level is the same as NIOSH received in FY 2017.

NIOSH Education and Research Centers (ERCs): The omnibus provides $29 million for the NIOSH ERCs. This is the same level of funding as the ERCs received in FY 2017.

NIOSH Agriculture, Forestry and Fishing (AFF) Program: The omnibus appropriates $25.5 million for the AFF Program. This is the same level of funding as the AFF program received in FY 2017.

**ADDITIONAL HEALTH POLICY ISSUES**

Gun Violence Research: The report accompanying the omnibus includes language under the CDC’s Injury Prevention and Control section that states, “While appropriations language prohibits the CDC and other agencies from using appropriated funding to advocate or promote gun control, the Secretary of Health and Human Services has stated the CDC has the authority to conduct research on the causes of gun violence.” This language does not serve to overturn the Dickey Amendment, which has long served as a deterrent for the federal government to fund gun-related research, but the omnibus clarifies that the CDC does have the authority to conduct research on the “causes of gun violence.” While it is unclear whether the omnibus language will result in additional funding opportunities related to gun violence research, it provides an important clarification specifying that the CDC is not prevented from conducting research on the causes of gun violence.

Children’s Hospitals Graduate Medical Education (CHGME): The omnibus provides $315 million, a $15 million increase above FY 2017. Over the past three years, funding for CHGME has risen by $50 million, or 19 percent. The CHGME program protects children’s access to high quality medical care by providing freestanding children’s hospitals with funding to support the training of pediatric providers.

Public Health Emergency Preparedness (PHEP): The omnibus provides $670 million, a $10 million increase above 2017, to help states prepare, respond and recover from emerging threats such as natural disasters, disease outbreaks and chemical, biological, radiological and nuclear threats.

Telehealth: The omnibus provides $23.5 million, a $5 million increase above FY 2017. The Telehealth program expands the use of telecommunications technologies within rural areas that can link rural health providers and patients with specialists.

Medicare Appeals: The omnibus provides $182 million, a $75 million increase above FY 2017, to reduce significantly the Medicare appeals backlog of over 500,000 appeals. Reducing the backlog is integral to providing timely resolution of Medicare appeals for the medical community.

340B Drug Pricing Program: The omnibus package does not include any provisions related to the 340B Drug Pricing Program.

**IMMIGRATION**

The omnibus does not include the Dream Act, a pathway to citizenship for Deferred Action for Childhood Arrivals (DACA) recipients or Dreamers, nor does it include a short-term solution for DACA recipients.
The omnibus provides:

- No funding for a new concrete wall. It does provide $641 million for 33 miles of new fencing or levees, with explicit language restricting construction to the same see-through fencing consistent with previously deployed designs.
- $679 million for replacement of existing pedestrian fencing, for border security technology and planning and design.
- No increase in detention beds from the previous fiscal year.
- No increase in interior ICE deportation agents, a limit of only 65 new Homeland Security investigators and analysts, and 60 new attorneys and other support personnel.
- No provisions defunding Sanctuary Cities.