

# Analysis of the FY 2014 Omnibus & Implications for Social and Behavioral Science

January 24, 2014

On Friday, January 17, President Obama signed into law the *Consolidated Appropriations Act of 2014*, thereby completing the fiscal year (FY) 2014 appropriations process more than three months into the fiscal year. The final omnibus legislation includes all twelve appropriations bills and totals \$1.1 trillion.

As previously reported, House and Senate Appropriations Committee chairs, ranking members, and staff worked through the holidays to negotiate the final package based on the budget agreement reached in December that set an overall discretionary spending cap of \$1.012 trillion, providing some additional funding flexibility for appropriators to complete their work (see the <a href="December 23">December 23</a>, <a href="2013 Update">2013 Update</a> for more information).

The final agreement represents a significant win for the scientific community and especially the social and behavioral science community. Thanks to persistent efforts by the social science advocacy community and supporters on Capitol Hill, the omnibus is free of restrictive language that would limit social science at the National Science Foundation (NSF); in particular, language akin to the so-called "Coburn amendment," which significantly limited the NSF Political Science program in FY 2013 by requiring that all funded projects address U.S. economic or national security interests, does not appear in the bill, thereby lifting the restrictions that were placed on the program and researchers. In addition, proposed provisions that appeared in recent years prohibiting or otherwise limiting health economics research funded by the National Institutes of Health (NIH) are not in the final agreement. The absence of these and other policy riders impacting social and behavioral science are a major victory for the community.

With respect to funding, the omnibus provides modest increases to several agencies important to the social and behavioral science community. For example, while the appropriation for NSF represents an overall decrease from the FY 2013 enacted level, when one accounts for last year's across-the-board cuts and sequestration, the FY 2014 appropriation for NSF actually represents an increase. Similarly, NIH receives a 3.5 percent increase in the omnibus after accounting for sequestration and transfers in FY 2013.

Read on for FY 2014 funding details for the:

- National Science Foundation
- National Institutes of Health
- Agency for Healthcare Research and Quality
- Centers for Disease Control and Prevention
- Department of Justice

- Bureau of Economic Analysis and Census Bureau
- Bureau of Labor Statistics
- Department of Education
- Department of Agriculture
- Other Research Policy Provisions

#### **National Science Foundation**

The National Science Foundation (NSF) receives \$7.17 billion in the omnibus bill. While this amount represents a decrease of about 1 percent below the FY 2013 enacted level, when accounting for sequestration cuts taken in FY 2013, the omnibus actually provides a 4.2 percent increase to NSF. Of particular note, the omnibus is free of policy riders that would limit social, behavioral, and economic science at the agency, as discussed above.

Regarding interdisciplinary research at NSF, the accompanying explanatory statement notes, "future growth of interdisciplinary research should not come at the expense of adequate support for infrastructure and core research programs in each of NSF's individual scientific disciplines." This is a nod to NSF efforts and initiatives in recent years to fund more interdisciplinary, cross-directorate programs, sometimes at the expense of funding for core disciplinary programs.

As is customary, the appropriations bill does not stipulate the amount allocated to each of NSF's research directorates; that is decided via NSF's spending plan, which will be due to Congress within 30 days of enactment of the bill.

#### **National Institutes of Health**

For the National Institutes of Health (NIH), the FY 2014 Consolidated Appropriations Act includes \$29.926 billion, a \$1 billion and 3.5 percent increase above the FY 2013 budget after accounting for sequestration and transfers, providing approximately three percent increases for most of the 27 institutes and centers (ICs) that make up the NIH. This sum, however, is \$714 million below the FY 2013 pre-sequestration appropriation of \$30.640 billion. The funding from the Interior subcommittee for the National Institute of Environmental Sciences (NIEHS) or mandatory funding for diabetes research is not included in this total. The Program Evaluation tap remains at 2.5 percent (See Update, July 22, 2013).

The agreement notes, "In accordance with longstanding tradition, funding is not directed to any specific disease research area. The NIH is expected to base its funding decisions only on scientific opportunities and the peer review process."

Additionally, the agency is expected "to support as many scientifically meritorious new and competing research project grants as possible, at a reasonable award level." According to the Senate Appropriations Committee, the increase provided to the agency "will provide for 385 new medical research studies and allow clinical trials to begin."

The bill maintains language from FY 2013 that provides \$15 million for the National Children's Study (NCS) and notes that, "no later than July 15, 2014, the Director shall estimate the amount needed for the NCS during FY 2014, and any funds in excess of the estimated need shall be transferred to and merged with the accounts for the various Institutes and Centers in proportion to their shares of total NIH appropriations made by this Act."

As usual, the omnibus contains a large amount of report language for the agency and incorporates the report language accompanying the Senate Appropriations Committee bill, which was not considered by the full Senate (See <u>Update</u>, <u>July 22</u>, <u>2013</u>).



The NIH **Office of the Director** (OD) is directed to "ensure that programs and offices within OD receive increases proportional to the overall [NIH] increase, unless otherwise specified." These offices include the Office of Behavioral and Social Sciences Research (OBSSR), the Office of Research on Women's Health (ORWH), and the Office of AIDS Research (OAR), among others. The NIH Director is further instructed to provide quarterly reports "on all obligations made with the NIH Director's Discretionary Fund" to the House and Senate Appropriations Committees and any other appropriate committees.

New funding is provided for the **Brain Research through Application of Innovative Neurotechnologies** [BRAIN] Initiative," the multi-agency effort that also involves the National Science Foundation, the Defense Advanced Research Projects Agency, and several private sector partners. Additionally, "sufficient funding for the proposed initiative to study new ways to prevent and cure Alzheimer's disease" is provided.

The Consolidated Appropriations Act also includes funding for "full support for the NIH Office of Science Education and programs like the Science Education and Partnership Awards (SEPA) to support biomedical research for the future," which the President's budget recommended eliminating from the Office of the Director and consolidating with the Education Department as part of a government-wide reorganization of STEM education activities.

The explanatory language accompanying the omnibus notes that the President's budget request called for an \$80 million increase above the FY 2012 funding level for Alzheimer's disease. It also notes that "in keeping with longstanding practice, the House and Senate Appropriations Committees do not recommend a specific amount of NIH funding for this purpose or for any other individual disease. Doing so would establish a dangerous precedent that could politicize the NIH peer review system." It is recognized, however, that Alzheimer's disease is a "serious threat" to the long-term health and economic stability of the country, and accordingly states that Congress "expects a significant portion of the recommended increase for [the National Institute on Aging] NIA should be directed to research" on the disease. The bill highlights that the specific amount designated to Alzheimer's disease research should be determined "by the scientific opportunity of additional research on this disease and the quality of grant applications that are submitted" for this research relative to applications submitted for other disease supported by the Institute. NIA is "encouraged to continue addressing research goals set forth in the National Plan to address Alzheimer's Disease" and the recommendations from the 2012 Alzheimer's Disease Research Summit. NIH is "urged to take advantage of existing well-characterized, longitudinal, population-based cohort studies to provide new insights into risk factors and protective factors related to cognitive decline and dementia." The agency is further "encouraged to support additional research in minority populations that are at particularly high risk for cognitive decline and dementia."

All of the ICs are "expected to continue" to support the agency's **Pathways to Independence** program, which provides support in the form of mentored grants that are later converted into independent research grants. The House and Senate Appropriations Committees underscored their continued support for the **NIH's New Innovator Awards**, the **Director's Pioneer Awards**, and the **Transformative R01 Program**, which are supported via the NIH's Common Fund. The agency is also directed to provide inflationary increases to research training stipends "that are not below the federal pay policy."

The omnibus also includes directions for NIH with regards to the peer review process. It directs the agency to "conduct an NIH-wide priority setting review," including examining "how the post peer review



priority setting process, resource allocation process, and the portfolio evaluation data and information ensure that the priority setting process provides decision makers with answers to key questions, such as:

- (a) how the proposed activity significantly advance the body of biomedical science;
- (b) how the proposed activity could contribute to expanding knowledge to improve human health;
- (c) the relationship and impact of the proposed activity to the program goals and objectives; and
- (d) how the proposed activity could impact the overall research portfolio of the NIH and the national research institute or national center involved.

NIH is also directed to provide a report on the review within 180 days of enactment to the House and Senate Appropriations Committees and appropriate authorizing committees. The report should include an executive summary of the review, findings, recommendations, and planned actions with a timeline, including actions related to developing and implementing improved NIH-wide portfolio analysis procedures, policies, and tools."

The agreement observes that a provision in the *National Institutes of Health Reform Act of 2006* requires the NIH director to "ensure implementation of scientifically based strategic planning." Accordingly, the FY 2014 agreement "directs the NIH Director to provide a report on the actions taken or planned to ensure that the requirement for scientifically based NIH-wide strategic planning is fully implemented." NIH is directed to include in the report: "how long-term goals and annual objectives are measured, tracked, and reported through NIH-wide leadership; how the plan is implemented through resource allocations as [describe in the statute]; how prioritization process addresses rate and neglected diseases while also maintain a focus balance between translational and basic bio-medical science; and how the plan is harmonized across the NIH ICs to ensure a balance portfolio that is free of unnecessary duplication and takes advantage of cross-cutting bio-medical research." The NIH has 180 days to provide a report on the review.

NIH is directed to establish an **Administrative Burden Reduction** workgroup "that includes coordination and participation of universities, not-for-profits, and institutes receiving support" from the agency to "develop a method to track and measure the administrative burden on entities participating in NIH supported activities with the goal of developing a plan to reduce such administrative burden as practicable."

Regarding **Big Data**, within 180 days of enactment, the NIH Director is directed to provide a report on *Core Techniques and Technologies for Advancing Big Data* to the House and Senate Appropriations Committees and appropriate authorizing committees. "The report shall describe the policies, procedures, and processes in place to safeguard all biomedical data, tools, analysis, and other similar forms of data that are or will be accessible by or through the Big Data Initiative." In addition, the agency is directed to include "how NIH plans to ensure that all of the data accessible by or through the initiative are not used for any other purpose than biomedical research. Specifically, NIH should describe how the policies will ensure the data remains anonymized." Additionally, the report should also state how NIH policies "address the ethical, legal, and societal issues surrounding the use of such data."

For the **Clinical and Translational Science Awards** (CTSA), the Consolidated Appropriations Act provides a specific funding level for the core CTSA program within the National Center for Advancing Translational Science (NCATS) statutory language. The agreement notes that this change eliminates the flexibility provided during the "establishment years" of NCATS. The explanatory statement explains that



the ICs are expected "to continue to use and provide support to the CTSA infrastructure for clinical trials and other scientifically appropriate activity." Likewise, NCATS is expected to continue collaboration with all of the ICs on the overall CTSA program. Highlighting the 2013 Institute of Medicine (IOM) report which recommends the creation of a comprehensive strategic plan with measurable objectives, the agreement notes that NCATS is "expected to move forward with implementing the IOM recommendations in consultation with the CTSA community." NCATS is directed to provide an update in the FY 2015 budget request of all planned and expected changes since the release of the IOM report through FY 2015. It is further directed to include a "specific plan on how NCATS will communicate and coordinate with the CTSA community."

With respect to NIH's efforts to impose additional scrutiny on extramural investigators with grants of \$1.5 million or more, the agreement directs the agency "to ensure that this policy and any other new measures which are intended to improve oversight and accountability for extramural researchers, should apply to intramural researchers as well...[P]eer reviewers for extramural research would benefit from knowing the scope of intramural activities that are related to the subjects under consideration to reduce the possibility of duplication..." NIH is directed to make such information available to extramural peer review study sections. An update from the agency is expected in the FY 2015 budget request.

The agreement commends the **Office of AIDS Research** for its leadership "in setting trans NIH AIDS research priorities,...[including] its ongoing support for innovative research and community outreach to address the complex issues of AIDS in racial and ethnic minority populations in the U.S."

In the FY 2015 and future budget requests, NIH is expected to provide the Appropriations Committees with "a table that lists the total funding provided to the Director's office of each IC and the NIH Director that breaks out the cost of travel, personnel, and performance bonuses by IC." The initial table, according to the agreement, is to include the last three years of actual obligations, projections for the current year, and the FY 2015 estimate.

The agreement continues Congressional support for the **Institutional Development Award (IDeA)** program. Within the National Institute of General Medical Sciences (NIGMS), the bill provides \$273.2 million for the IDeA program. Funding is also provided to NCATS to "reflect movement of programs from the Common Fund to that center and to consolidate all support for the CTSA program in NCATS "rather than continuing to have a part of the core funding provided through other ICs."

Accordingly, the agency is expected to maintain the current level for the Centers of Biomedical Research Excellence (COBRE), IDeA Networks of Biomedical Research Excellence (INBRE), and the IDeA Clinical Trial and Translation Program programs. NIH is expected to divide the increase for IDeA between a new COBRE competition, additional awards for the IDeA Clinical Trial and Translation Program, and support the INBRE program. Pointing to "the lack of a full response" from the NIH, the Appropriations Committees urge NIH to "give the IDeA Director the flexibility to include all States that qualify for the Experimental Program to Stimulate Competitive Research (EPSCOR) program in the IDeA program," the NIH is directed to review "whether changes to the eligibility criteria of the EPSCOR program are warranted." NIH is further directed to report its recommendations to the House and Senate Appropriations Committees and the relevant authorizing committees no later than 120 days after enactment. The NIH and IC directors are encouraged to work with the IDeA director "to implement a plan to improve coordination and co-funding of the program. Further, the NIH director is urged to "increase opportunities for IDeA designated states participation in the CTS A program."



Pointing out that "Minority institutions play a critical role, especially at the graduate level in addressing the health research and training needs of the nation," NIH is expected to continue supporting the **Research Centers in Minority Institutions Program** (RCMI) at no less than the FY 2013 funding level.

The agreement continues the government-wide restrictions on **travel and conference spending** and would require agencies to adhere to the <u>2012 Office of Management and Budget memo</u> that cut travel spending by 30 percent from 2010 spending levels. Inspectors General are ordered to guard against wasteful, lavish conferences sponsored by Federal agencies by auditing such conference gatherings.

The omnibus also includes language limiting international travel by government employees, stating, "None of the funds made available in this Act may be used to send or otherwise pay for the attendance of more than 50 employees of agencies or departments of the United States Government who are stationed in the United States, at any single international conference occurring outside the United States, unless the Secretary of State reports to the Committees on Appropriations at least 5 days in advance that such attendance is important to the national interest."

## **Agency for Healthcare Research and Quality**

The Agency for Healthcare Research and Quality (AHRQ) receives a total of \$371.0 million, which is comprised of \$364.0 million in Public Health Services Evaluation funds and \$7 million from the Prevention and Public Health Fund, created by the *Affordable Care Act*. This total does not include a \$100 million mandatory transfer from the Patient Centered Outcomes Research (PCOR) Trust Fund, which will be used to support dissemination and research-capacity building efforts under AHRQ's Patient-Centered Health Research activity. No additional funds are allocated to this activity.

The bill provides \$45.9 million in funding for investigator-initiated research under the Crosscutting Activities portfolio, \$2.5 million more than FY 2013 and well above the Administration's request of \$29.3 million. Within AHRQ's Health IT activity, \$4 million is provided for research on safe health IT practices. Congress fulfilled the Administration's request for \$63.8 million for the Medical Expenditures Panel Surveys (MEPS), which collects data on how Americans use and pay for health care.

The spending bill cautions that if AHRQ's new director, Richard Kronick, plans to refocus the agency's research (see <u>Update</u>, <u>November 25, 2013</u>), he must propose changes "in a transparent fashion in the fiscal year 2015 budget request so they can be considered during next year's appropriations process."

Finally, language in the Senate bill instructs the agency to examine federal health services research in patient safety to "identify research gaps, areas that could be consolidated, and emerging research priorities, and propose strategies for better coordination among Federal agencies" and report on its finding in one year. AHRQ's critics sometimes express concerns about duplication of health services research across the federal government, so this could be an indicator that this issue will be coming up again.

#### **Centers for Disease Control and Prevention**

The total appropriation for the Centers for Disease Control and Prevention (CDC) is \$6.9 billion, 9 percent above the FY 2013 funding level of \$6.3 billion. This amount includes \$5.8 billion in discretionary funding, \$210.6 million in Public Health Services transfers, and \$831.3 million from the Prevention and Public Health Fund (PPHF).



Under the CDC's Chronic Disease Prevention and Health Promotion activity, the bill provides \$80 million for new Community Prevention Grants, which will be awarded to community coalitions to prevent chronic diseases. In addition, \$1 million is set aside for an initiative to review the state of the science on ovarian cancer and the effectiveness of current government initiatives, as well as recommend publicand private-sector efforts that will help reduce the prevalence and mortality of ovarian cancer. Congress also appropriated \$5 million in competitive funding for pilot programs that target counties with the highest prevalence of obesity.

The bill provides \$140 million to the **National Center for Health Statistics** (NCHS), a slight increase from FY 2013. However, in previous years, NCHS received roughly \$30 million from the PPHF, transfers which are absent in this appropriations bill, effectively cutting the NCHS budget for FY 2014 by about 17 percent.

Language pertaining to CDC-Wide Activities instructs the agency to submit a report to the Appropriations Committees on "the opportunities for consolidating the various data collection systems in CDC," which should cover "the opportunities and costs, advantages and barriers, and projected timeline to such a consolidated data reporting system, along with recommendations for adoption" and consider the adoption of a single web-based data collection platform.

In addition, CDC is directed to report back on the funding and activities of the Community Preventive Services Task Force, which is tasked with identifying "population health interventions that are scientifically proven to save lives, increase lifespans, and improve quality of life."

#### **Department of Justice**

The omnibus provides a total of \$120 million for the Research, Evaluation and Statistics account within of the Office of Justice Programs. Within this amount is \$45 million for the **Bureau of Justice Statistics** (BJS) and \$40 million for the **National Institute of Justice** (NIJ), splitting the different between earlier House and Senate marks.

In the wake of recent violent events at U.S. schools, the bill includes \$75 million for a Comprehensive School Safety Initiative, which would "bring together the Nation's best minds to research the root causes of school violence, develop technologies and strategies for increasing school safety, and provide pilot grants to test innovative approaches to enhance school safety across the Nation." NIJ would be tasked with implementing the program.

In addition, the omnibus accepts report language from the House which provides funding for research on "honor violence," a form of violence against women. According to the House report from July, "There is currently a lack of statistical information on the occurrence of honor violence in the United States. Therefore, of the amounts provided for research and evaluation on violence against women [\$3.3 million is included in the omnibus for FY 2014], no less than \$250,000 shall be for [BJS] to collect statistics and report on the incidence of honor violence in the United States."

Finally, the agreement includes \$4 million for a forensic sciences initiative in coordination with the National Institute of Standards and Technology (NIST): \$1 million to support the Forensic Science Advisory Committee, chaired by the Attorney General and NIST Director, and \$3 million to support scientific working groups. As the omnibus' explanatory statement reads, "There is concern that the



administration's forensic sciences initiative, as proposed in the budget request, lacks the involvement of the State and local practitioner community, making the community an observer—not a participant—in addressing forensic reform, and thereby running the risk that the initiative will not take into consideration existing, proven standards and processes used within the community. It is expected that the Forensic Science Advisory Committee will consider the need to exercise independent scientific judgment and, among other factors, recommendations from leading scientific organizations..."

### **Bureau of Economic Analysis and Census Bureau**

The omnibus provides \$99 million for Economic and Statistical Analysis, which includes the Bureau of Economic Analysis (BEA). This is an increase of less than 1 percent over FY 2013 before accounting for sequestration.

The Census Bureau receives \$945 million in FY 2014, which is nearly \$40 million or 4.4 percent over the FY 2013 enacted level before accounting for sequestration. The Periodic Censuses and Programs account, which includes the American Community Survey (ACS), is provided \$693 million, nearly 6 percent above FY 2013 before sequestration. While the Senate report from earlier in the year endorsed the President's requested level for ACS, the final agreement states, "The agreement does not include Senate language designating specific funding levels for the American Community Survey."

#### **Bureau of Labor Statistics**

The Bureau of Labor Statistics will see a decrease of about \$15.6 billion in FY 2014 for a total budget of \$592.2 billion. The explanatory statement includes the following language: "The data produced through National Longitudinal Surveys of Labor Market Experience (NLS) are an essential source for both long-term and ongoing analysis of the economic health of America and are an invaluable resource for Congress and the public and private sectors, especially during these times of economic uncertainty. As such, the bill provides sufficient funding necessary to ensure that the frequency of NLS data collection occurs not less than biennially. Within available resources, the Bureau of Labor Statistics is encouraged to add an annual supplement to the Current Population Survey, including contingent work and alternative work arrangements, as proposed in the budget request."

## **Department of Education**

The omnibus includes large increases in early childhood education programs, including a new competitive grant for states to use in expanding preschools, and some minor gains in international education programs, all of which were an improvement over the post-sequester levels of FY 2013. In total, the bill provides \$70.6 billion to the Department of Education, which is \$3.9 billion below the President's request and a decrease of \$739 million from the pre-sequester FY 2013 levels.

**International education** funding in the bill receives a small increase of \$2 million for Title VI (\$8.4 million less than the President's request), restoring in part the sequester-reduced amounts from FY 2013. Fulbright-Hays was renewed at the FY 2013 level of \$7.061 million (\$390,000 below the President's request) and Title VI A & B were funded at a total of \$65.103 million. Thus, international education received a total of \$72.164 in the omnibus.



Of additional interest, the bill and report do not endorse language in last year's Senate Committee report that recommended \$2 million in funds be set aside for study abroad under Section 604(b) of the *Higher Education Act*. The omnibus' explanatory statement says simply, "The agreement includes \$72,164,000 for International Education and Foreign Language Studies and encourages the Department to look for ways to support study abroad programs as authorized by section 604(b) of the HEA."

Head Start saw gains of \$612 million over enacted FY 2013 levels to a new total of \$8.6 billion, a return to FY 2012 levels. The Head Start appropriation also included a 1.3 percent cost of living adjustment as well as an additional \$500 million to expand Early Head Start, which aims to help children from birth to age 3 from low-income families.

Further, the omnibus bill permits the Departments of Education and Health and Human Services (HHS) to administer a new \$250 million Race to the Top competitive grant. These funds "may be used for competitive awards to States to develop, enhance, or expand high-quality preschool programs and early childhood education programs for children from low- and moderate-income families, including children with disabilities."

Elsewhere in higher education funding, the bill authorized \$22.8 billion in funding for the Pell Grant Program, and the maximum annual award is likely to rise \$85 to \$5,730; work study grants received \$975 million, \$2 million less than FY 2013; TRIO and GEAR UP received \$838 million and \$302 million respectively, \$1 million less per program than FY 2013 levels; and the combined Graduate Assistance in Areas of National Need and Javits Fellowship received \$29.293 million.

In a particularly notable change, appropriators allocated \$75 million for a "First in the World" program that would "provide grants to colleges and universities to implement innovative and effective strategies that improve educational outcomes and reduce the net price paid by students and families," according to Sen. Tom Harkin's (D-lowa) office, the top Senate appropriator for education.

# **Department of Agriculture**

For the U.S. Department of Agriculture (USDA), \$16.8 million is appropriated to the Office of the Chief Economist, and \$893,000 to the Office of the Undersecretary for Research, Education, and Economics. The USDA's **Economic Research Service** receives \$78.1 million (close to the Administration's request of \$78.5 million). Congress gave the **National Agricultural Statistical Service** (NASS) \$161.2 million, which includes \$44.5 million for the Census of Agriculture. Sequestration forced the NASS to suspend some of its statistical estimates and reports. The funding in the bill will enable NASS to resume these activities, and the language directs it to do so immediately upon passage.

The **National Institute of Food and Agriculture** (NIFA) is provided \$772.6 million, \$243.7 million of which is directed to Hatch Act grants, which are awarded to state agricultural experiment stations, and \$316.4 million is appropriated to the Agriculture and Food Research Initiative (AFRI), the USDA's primary competitive research grants program.

## **Research Policy Provisions**

The explanatory statement includes language related to research policy topics. Regarding **STEM education**, the omnibus bill does not endorse Obama Administration efforts to consolidate federal STEM programs. While supportive of efforts to streamline, the bill asks the White House Office of Science and



Technology Policy (OSTP) to "reexamine other possible reorganizations of Federal STEM programs for consideration in a future fiscal year after engaging in an inclusive development process (involving the interagency community and major external stakeholders) and taking into consideration evaluations and other evidence of program success." This directive is not surprising; both the House and Senate registered their concern for the Administration's proposal in the respective Commerce, Justice, Science Appropriations bills released over the summer.

The issue of **public/open access** was addressed in a number of places throughout the omnibus bill. Within the OSTP section, the explanatory statement directs OSTP to report to Congress on the development and implementation of individual agency public access plans in accordance with guidance issued by OSTP in February 2013 (see <u>Update</u>, <u>February 25</u>, 2013 for more information).

