

SCORECARD LEGISLATIVE ISSUES—NIH/NEI FUNDING

FY2017: Will Congress Pass an Omnibus Spending Bill?

As of early April, Congress had yet to take action to finalize FY2017 appropriations. With an April 28 expiration date for the current CR funding the government, Congress is expected to take action the week of April 24 upon its return from Easter recess. Although appropriations leaders want a “regular order” omnibus spending bill instead of a full-year CR, Congress will likely need to pass a short-term CR to accomplish this.

Finalizing FY2017 is complicated by the Trump Administration’s proposal to cut \$18 billion in NonDefense Discretionary spending in FY2017 to offset the Administration’s defense/border security supplemental. This proposal’s options contain a \$1.232 billion cut to NIH, including \$50 million achieved by eliminating spending on new Institutional Development Award (IDeA) program grants and \$1.182 billion in reduced research grants. As with the President’s FY2018 Budget Blueprint (see right), several Congressional leaders have echoed that “The President proposes, the Congress disposes,” meaning that Congress will have the final say and that it is too late to effect change.

As with the recent failed Affordable Care Act repeal effort, the conservative House Freedom Caucus could hold firm on demanding further cuts in spending, and the President could veto an omnibus bill unless Congress overrides it. Stay tuned...

	FY2016 FINAL**	FY2017 PRESIDENT’S REQUEST+	FY2017 SENATE	FY2017 HOUSE	FY2018 PRESIDENT’S REQUEST
NIH	\$32.1B +6.6%	33.1B +2.6%	\$34B +6.3%	\$33.3B +3.9%	\$25.9B -18.2%^^
NEI	APPROP: \$715.9M +4.6% OPERATIONAL NET: \$708M	APPROP: \$708M (FLAT-FUNDED)	\$740.8M +4.6% (INCREASE ON OPERATIONAL NET)	\$735.6M +3.9% (INCREASE ON OPERATIONAL NET)	DETAILS NOT RELEASED UNTIL MAY

** NEI Operational Net reflects \$7.9 M transferred back to NIH Central of the successfully completed Studies of Ocular Complications of AIDS (SOCA) funding.
+ Includes \$1.825 B in mandatory funding.
^^ Relative to the 2017 annualized Continuing Resolution level

FY2018: President Proposes NIH Cut and Reorganization/Reprioritization

On March 16, President Trump issued a preliminary FY2018 Budget Blueprint entitled *America First: A Budget Blueprint to Make America Great Again* which provides a brief overview of spending and policy proposals, with details expected in mid-May. Within the Department of Health and Human Services (DHHS), text relating to the NIH reads as follows:

“Reduces the NIH spending relative to the 2017 annualized CR level by \$5.8 billion to \$25.9 billion. The Budget includes a major reorganization of NIH’s Institutes and Centers to help focus resources on the highest priority research and training activities, including: eliminating the Fogarty International Center; consolidating the Agency for Healthcare Research and Quality within NIH; and other consolidations and structural changes across NIH organizations and activities. The Budget also

reduces administrative costs and rebalance Federal contributions to research funding.”

Many Congressional appropriators and authorizers—the latter just having reauthorized the NIH for three years with passage of the *21st Century Cures Act* in December 2016—have responded that the Congress will have the final say on the FY2018 budget. As alarming as the proposed NIH cut is, the language regarding reorganization and reprioritizing of research funding is of great concern to NAEVR, as the Alliance successfully fought in the 2004-2006 timeframe an NIH reauthorization proposal to “cluster” NEI’s budget into a “Brain Institute,” potentially jeopardizing front-of-the eye research. As with past efforts, NAEVR will form a Working Group to address the budget specifics regarding NIH structure and research priorities as they may relate to the NEI’s eye and vision research.

House and Senate Appropriators Hold Hearings



LHHHS Chairman Roy Blunt (R-MO)

Senate: Researchers Testify about Value of NIH

On March 8, the Senate LHHHS Appropriations Subcommittee held a hearing entitled *Saving Lives Through Medical Research* that featured NIH-funded researchers in the areas of cancer, Alzheimer’s, and infectious diseases, as well as an emerging researcher funded through the IDeA Program. In his opening statement, Chairman Roy Blunt (R-MO) recognized the power of biomedical research to increase life expectancy, improve quality of life, and lower health care costs and emphasized that consistent and sustained increases are necessary, especially for young researchers. In that regard, he said:

“In the next few years, as we continue to confront difficult spending choices, we must continue to firmly establish our federal commitment to the NIH. We must remain focused on establishing a pattern of responsible investment through the appropriations process. We do not know the scientific advances that will be made in the next ten years, but we do know that if we keep investing in NIH, they will keep making life-saving breakthroughs.”

With respect to FY2018, he commented that he could not see how the proposed \$54 billion increase in defense spending reported (at that time) to be included in the President’s Budget Blueprint Framework could not affect NIH, since its funding accounts for 20 percent of the LHHHS bill.

House: Members Express NIH Funding Concerns to Secretary Price

On March 29, the House LHHHS Appropriations Subcommittee held a hearing with DHHS Secretary Tom Price, M.D., a former House Member from Georgia, regarding the FY2018 Budget Blueprint. Member questions focused primarily on the Affordable Care Act and NIH.

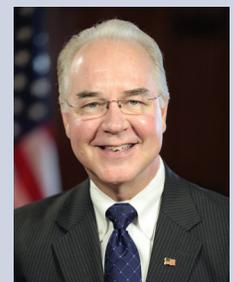
In his opening statement, Chairman Tom Cole (R-OK) emphasized his joint efforts with Senate LHHHS Chairman Blunt in getting NIH funding “back on track” with the \$2 billion FY2016 increase and Senate-proposed \$2 billion FY2017 increase. He expressed concern about the impact of the President’s proposed cuts on the NIH and the Centers for Disease Control and Prevention (CDC), noting that it would leave the nation less secure. “NIH and CDC are every bit as important as defense, as it is just as easy to die from a bioterrorism attack or a pandemic, such as Zika or Ebola,” he said.

When asked whether the emphasis of any changes to the NIH would be on structure or funding priorities, Secretary Price said it was a combination of both, with details still being worked out. He focused most of his comments on indirect costs in NIH awards, which he stated account for up to 30 percent of the total cost of grants, or \$6.6 billion in FY2016. “We need to focus on things that work and get rid of duplication and redundancy in research,” he said.

Although Chairman Cole has indicated that he will hold a hearing with NIH Director Francis Collins, M.D., Ph.D. in May, the Subcommittee has already held a March 21 Public Citizen Witness hearing. NAEVR submitted written testimony to the hearing file.



LHHHS Chairman Tom Cole (R-OK)



DHHS Secretary Tom Price, M.D.