NSF Budget Update

EPSCoR PI Meeting

May 21, 2024

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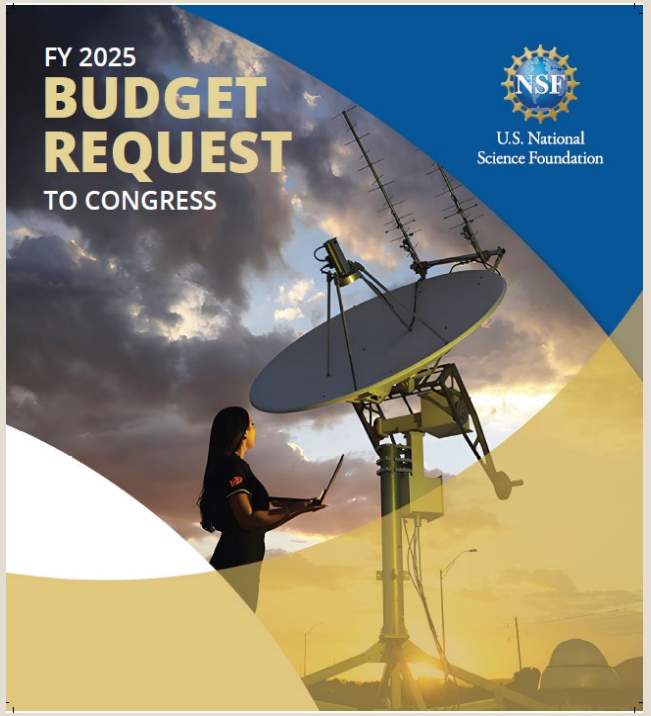
Topics

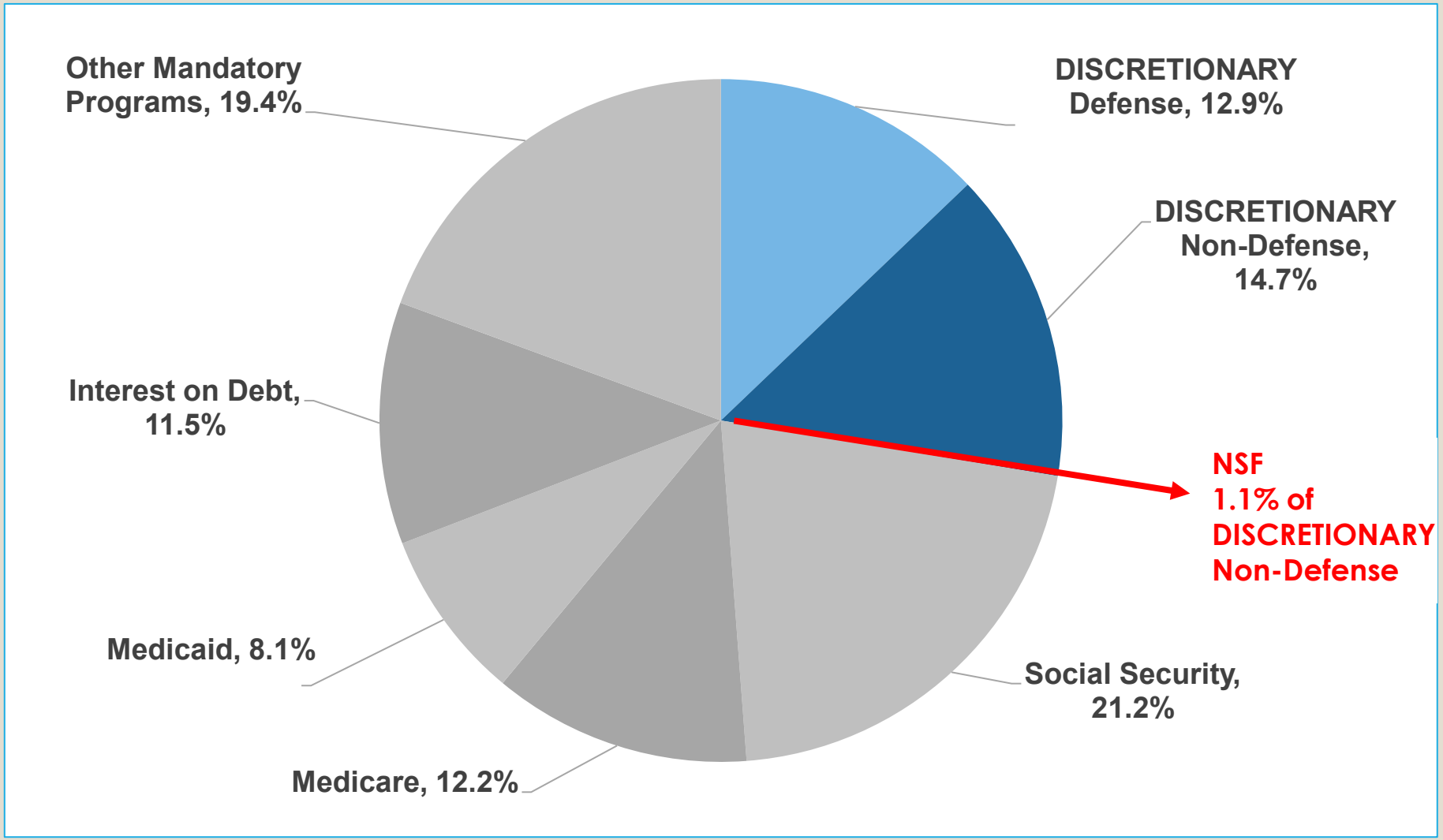
- Budget primer
- CHIPS and Science Act Update
- Current Year Update, FY 2024
- Budget Request Update, FY 2025
- What's Next?

What the we mean when we say “the budget.”

- Budget of the US Government (President’s Budget)
  - Justification of appropriations submitted to Congress
- NSF Request (Congressional Justification)
  - 2 pages of requested appropriations language
  - ~550 pages of “justification”
- Know your pages
  - www.whitehouse.gov/omb/budget/
  - https://new.nsf.gov/about/budget-performance



NSF is a small player in the federal landscape.



Outlays by Broad Category based on the FY 2024 President's Budget

NSF receives funding from Congress in six appropriation accounts to finance its mission.

Programmatic Activities

- Research & Related Activities (R&RA) ← **EPSCOR Office**
- STEM Education (EDU)
- Major Res. Equipment & Facilities Construction (MREFC)

Administrative & Management Activities

- Agency Operations & Award Management (AOAM)
- Office of the National Science Board (NSB)
- Office of Inspector General (OIG)

CHIPS and Science Act of 2022

The CHIPS & Science Act passed in summer 2022.

- *Creating Helpful Incentives to Produce Semiconductors (CHIPS)* and Science Act, signed into law in August 2022

- Includes historic investments in science across multiple agencies, creating opportunities to strengthen partnerships in the federal R&D landscape.

- Useful overviews:
  https://new.nsf.gov/chips
  www.aaas.org/programs/office-government-relations/breaking-down-chips-and-science-act

The CHIPS and Science Act has an impact on NSF.

- Authorizes $81 billion over 5 years (FY 2023 – FY 2027)

CHIPS and Science Act Authorizing Levels

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
NSF Total	$11,897.48	$15,646.93	$16,706.67	$17,832.42	$18,919.18

- Appropriates $200 million over 5 years for microelectronics workforce education
- Builds on NSF's existing commitments to geographic diversity in research

Section 10325 provides NSF two spending targets in EPSCoR jurisdictions.

SEC. 10325. EXPANDING GEOGRAPHIC AND INSTITUTIONAL DIVERSITY IN RESEARCH.

(a) CONTINUING SUPPORT FOR EPSCOR .—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) because maintaining the Nation's scientific and economic leadership requires the participation of talented individuals nationwide, EPSCoR investments into State research and education capacities are in the Federal interest and should be sustained;

(B) EPSCoR should maintain its experimental component by supporting innovative methods for improving research capacity and competitiveness; and

(C) the Director should carry out this subsection while maintaining or increasing proposal success rates at emerging research institutions throughout the United States and without precluding access to awards for such institutions.

(2) UPDATE OF EPSCOR.—Section 517(f)(2) of the America COMPETES Reauthorization Act of 2010 (42 U.S.C. 1862p–9(f)(2)) is amended—

(A) in subparagraph (A), by striking "and" at the end; and

(B) by adding at the end the following:

"(C) to increase the capacity of rural communities to provide quality STEM education and STEM workforce development programming to students, and teachers; and".

NSF surpassed the EPSCoR spending targets in FY 2023.

Target 1: Overall Spending
The FY 2023 actual amount obligated in EPSCoR jurisdictions, $1.2 billion, is an investment rate of **15.9%** per legislative direction. (The target was 15.5%)

Target 2: Scholarships/Fellowships/Traineeships/Postdocs
The FY 2023 actual amount obligated in EPSCoR Scholarships, $60.0 million, is an investment rate of **18.5%** per legislative direction. (The target was 16%).

The two EPSCoR targets increase over time.

(3) GEOGRAPHIC DIVERSITY AND INCLUSION.—

(A) IN GENERAL.—To the maximum extent practicable, not less than—

(i) 15.5 percent in fiscal year 2023,

(ii) 16 percent in fiscal year 2024,

(iii) 16.5 percent in fiscal year 2025,

(iv) 17 percent in fiscal year 2026,

(v) 18 percent in fiscal year 2027,

(vi) 19 percent in fiscal year 2028, and

(vii) 20 percent in fiscal year 2029,

of the amounts appropriated to the Foundation for research and related activities, and science, mathematics, and engineering education and human resources programs and activities, excluding those amounts made available for polar research and operations support (and operations and maintenance of research facilities), shall be awarded to EPSCoR institutions.

(B) SCHOLARSHIPS.—To the maximum extent practicable, not less than—

(i) 16 percent in fiscal year 2023,

(ii) 18 percent in fiscal year 2024, and

(iii) 20 percent in each of fiscal years 2025 through 2029,

of the amounts appropriated to the Foundation for scholarships (including at community colleges), graduate fellowships and traineeships, and postdoctoral awards shall be used to support EPSCoR institutions.

The EPSCoR Annual Report provides results of CHIPS target spending.

NATIONAL SCIENCE FOUNDATION (NSF)
ESTABLISHED PROGRAM TO STIMULATE COMPETITIVE RESEARCH (EPSCOR)
REPORT TO CONGRESS FOR FISCAL YEAR 2023

In prior years, this report was titled "NSF's EPSCoR Congressional Report in Compliance with Public Law 114-329: American and Innovation and Competitiveness Act, Sec. 103 (D) (1-3)". Starting with FY 2023 and moving forward, the report that follows will provide a comprehensive and transparent update to Congress for NSF's activities related to support for EPSCoR jurisdictions. Therefore, this report summarizes fiscal year (FY) 2023 NSF funding to institutions and entities in EPSCoR jurisdictions, as required by the following enacted legislation:

- Public Law 114-329 - American Innovation and Competitiveness Act (AICA) Sec. 103(d)(1-3).
- Public Law 117-167 - Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act Title III Sec. 10325 (a)(3)(F)(i-III)

Current Year Update
FY 2024

NSF's FY 2024 appropriation reflects larger discussions fed-wide.

- Appropriations Act of 2024, signed into law early March 2024. Influenced by higher level negotiations.
- Provides $9.06 billion versus a Request of $11.35 billion
- Current Plan transmitted in late April for subsequent discussion with Congressional appropriators on NSF's final "spend plan"

NSF's FY 2024 enacted level is decreasing but the EPSCoR Office level is increasing.

- FY24 totals $9.06 billion, -$479 million or 5% below the FY23 Base
- EPSCoR Office funding expected at $250 million, $8 million or 3.3% over the FY23 Base

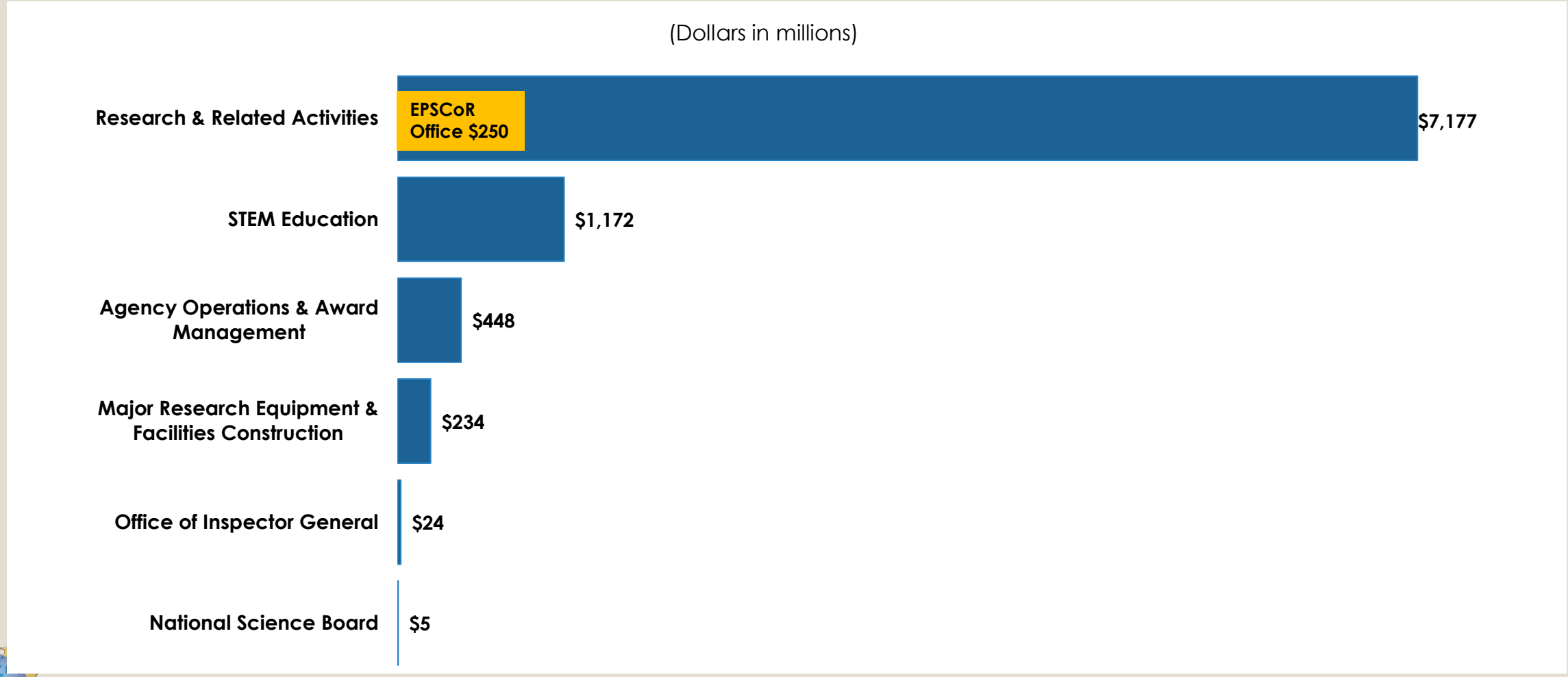
(Dollars in Millions)

Account	FY 2023 Base Plan[1]	FY 2024 Enacted[2]	FY24 over FY23 $ change	FY24 over FY23 % change
Research & Related Activities	$7,614	$7,177	-$437	-5.7%
EPSCoR Office	*[$242]*	*[$250]*	*[$8]*	*[3.3%]*
STEM Education	$1,246	$1,172	-$74	-5.9%
Major Research Equip. & Facilities Construction	$187	$234	$47	25.0%
Agency Operations & Award Management	$463	$448	-$15	-3.2%
Office of Inspector General	$23	$24	$1	2.6%
Office of the National Science Board	$5	$5	-$0	-1.8%
Total	**$9,539**	**$9,060**	**-$479**	**-5.0%**

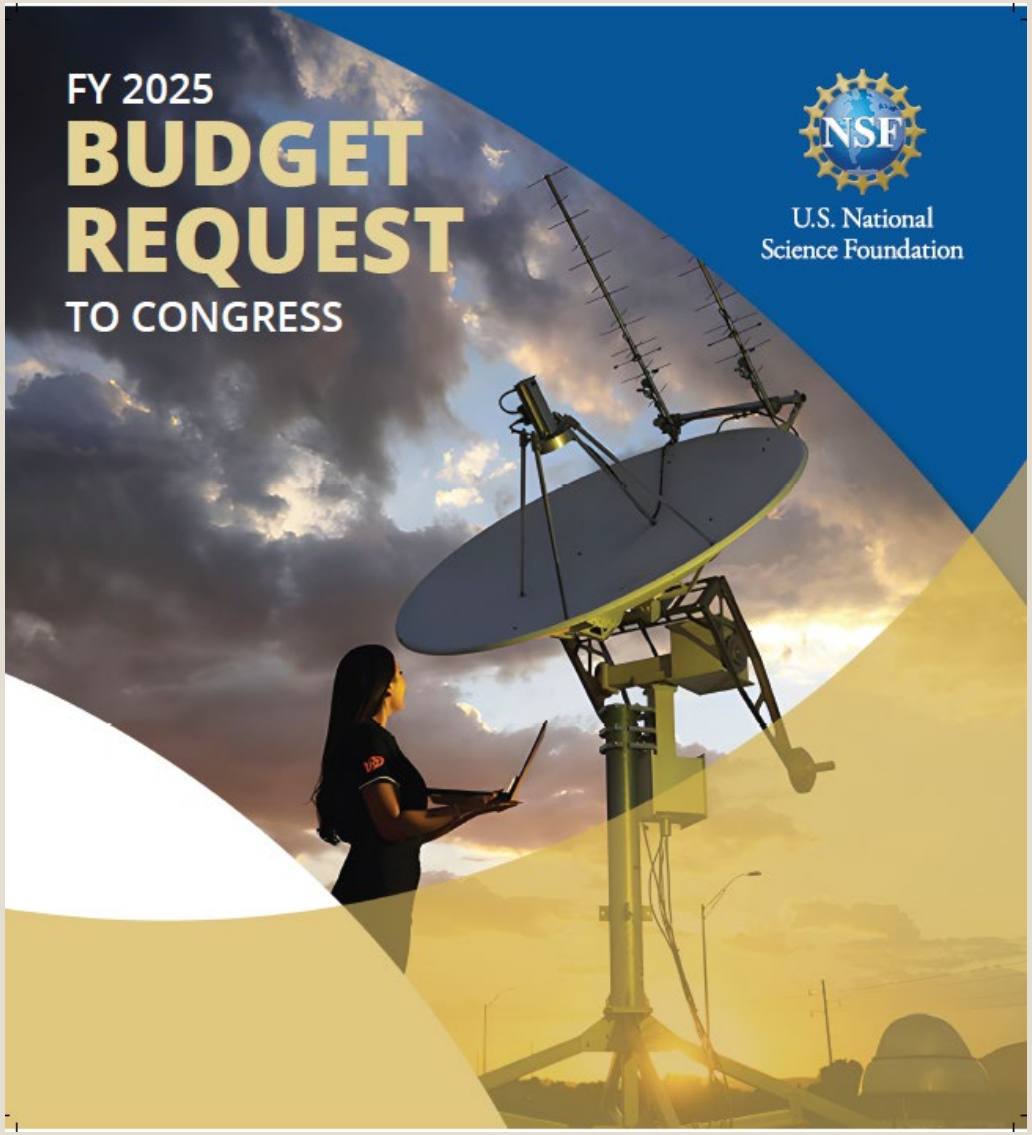
[1] Excludes $337.50M in DRS funding. Reflects transfer of $15.0M from R&RA to AOAM to be completed in FY 2024.

[2] Includes both base resources ($8,826M) and Emergency funding ($234M) provided by PC 118-42.

R&RA and STEM ED hold 92% of NSF's FY 2024 total.



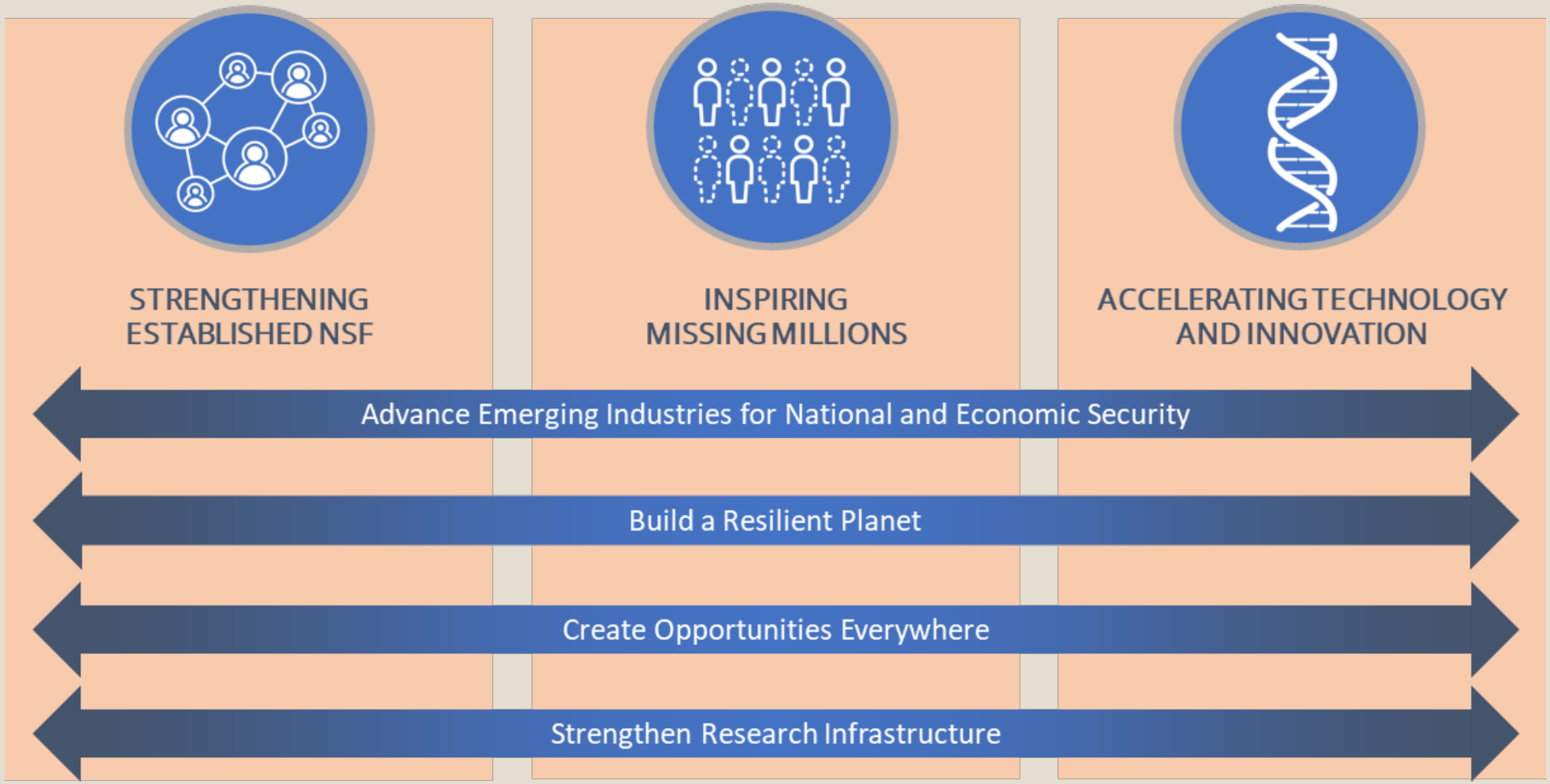
Budget Request Year Update
FY 2025



https://new.nsf.gov/about/budget/fy2025

NSF FY 2025
Budget Request
$10.183 billion

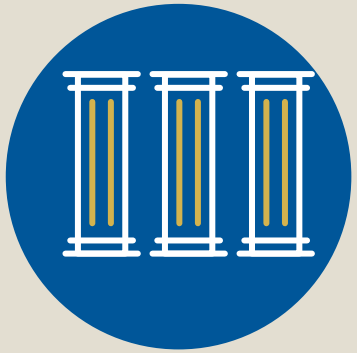
NSF's Investment Themes for FY 2025



FY 2024 and FY 2025 actions occurred almost simultaneously.

FY 2025 Budget was transmitted to Congress on March 11th, only days after enactment of the FY 2024 appropriation

- FY 2024 impacts are not explicitly reflected in the FY 2025 Budget
- FY 2025 policy proposals remain intact



NSF's FY 2025 Request is ambitious.

- FY25 Request is $10.183 billion, +$1.1 billion or 12.4% over FY24 Enacted
- EPSCoR Office funding is $258 million, +$8 million or +3.3% over FY24 Enacted

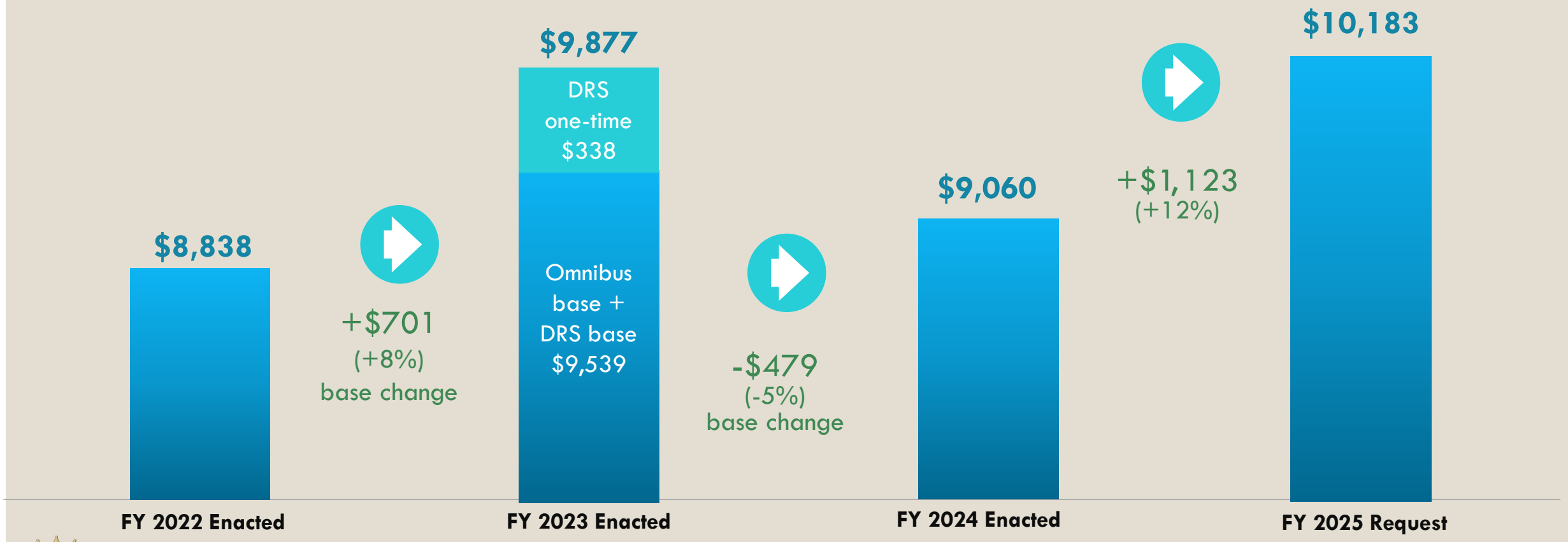
(Dollars in Millions)

Account	FY 2023 Base Plan[1]	FY 2024 Enacted[2]	FY 2025 Request
Research & Related Activities	$7,614	$7,177	$8,045
EPSCoR Office	*[242]*	*[250]*	*[258]*
STEM Education	1,246	1,172	1,300
Major Research Equip. & Facilities Construction	187	234	300
Agency Operations & Award Management	463	448	504
Office of Inspector General	23	24	28
Office of the National Science Board	5	5	5
Total	**$9,539**	**$9,060**	**$10,183**

[1] Excludes $337.50M in DRS funding. Reflects transfer of $15.0M from R&RA to AOAM completed in FY24.

[2] Includes both base resources ($8,826M) and Emergency funding ($234M) provided by PC 118-42.

The Disaster Relief Supplemental provided resources in FY 2023 not carried into FY 2024.



(Dollars in Millions)

Review of NSF's FY 2025 budget justification is ongoing.

- Briefings held with Appropriation and Authorization staffers in April and May
- Hearing before House Science on 5/16/24. Other possible hearings later this spring
- Recurring topics: EPSCoR investments and progress in meeting CHIPS and Science direction, TIP Directorate investments, partnerships, STEM workforce

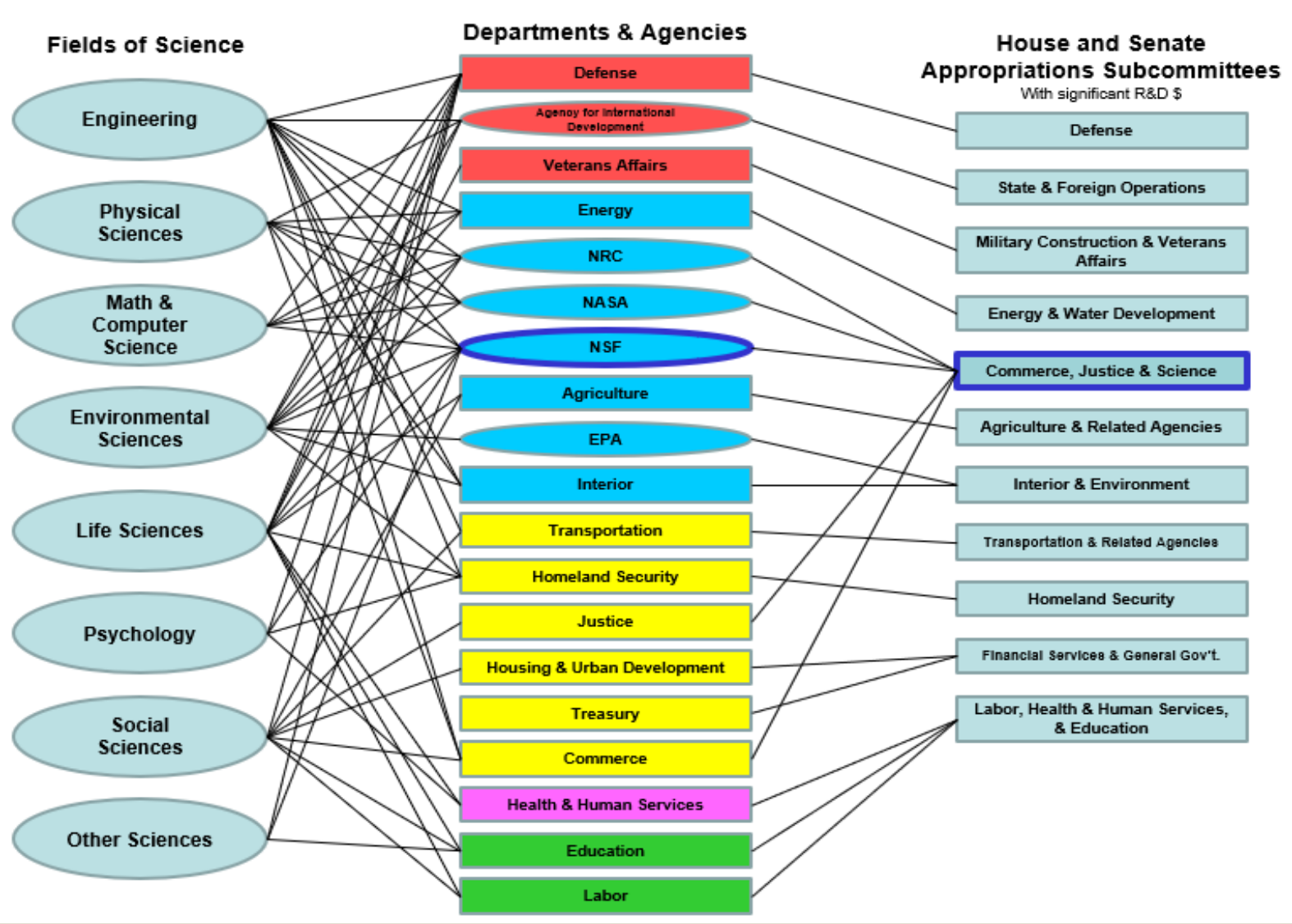
What's Next?

- House and Senate appropriation sub-committees issue FY 2025 budget marks and report language (often public)

- FY 2026 Budget planning
  - NSF leadership discussions are underway
  - OMB's FY 2026 Budget Guidance memo expected in June (public)
  - Joint OMB/OSTP R&D priorities memo expected this summer (public)

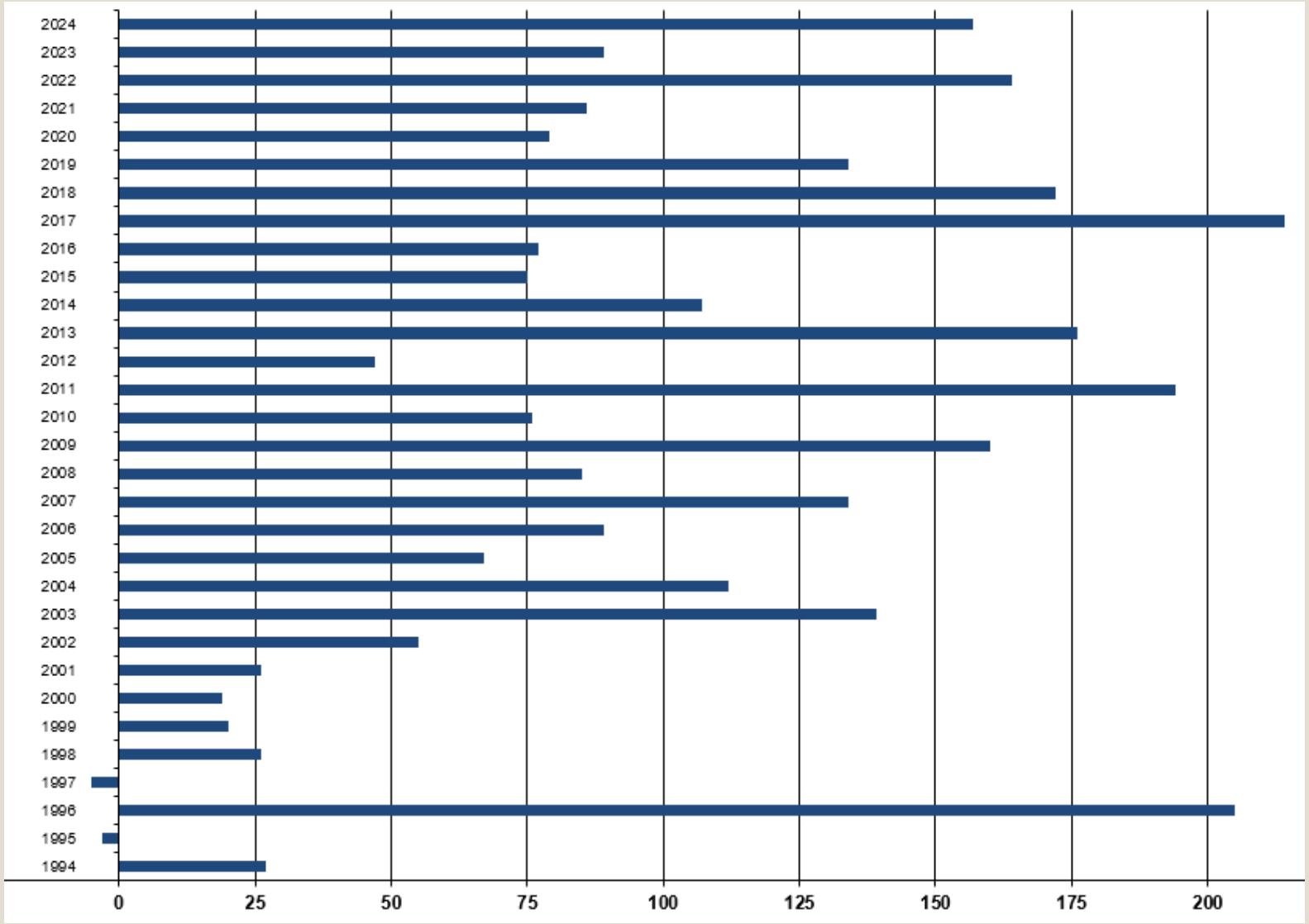
- Congressional action by October 1st: Full FY 2025 appropriation? Continuing Resolution? Funding lapse?

Many parts of the federal government are involved in many fields of science, but NSF competes with a few more closely for our appropriations.



Showing Fields of Science and Executive and Legislative Decision Units

Since 1994, enactment of an appropriation has occurred an average of 97 days after the start of the fiscal year



FY 2024 = 157 days

Questions?