

House Adds \$1 Billion to NIH Budget, Falls Short of Doubling Goal

(This analysis is part of a series of AAAS R&D Funding Updates on the FY 2001 congressional appropriations process. This analysis includes information on R&D in House appropriations for NIH. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D by agency in FY 2001 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/R&D>) in the "FY 2001 R&D" or the "What's New" sections.)

Before leaving for a one-week Memorial Day recess, the House Appropriations Committee approved an FY 2001 Labor-HHS appropriations bill providing funding for the Departments of Labor, Health and Human Services, and Education. The House bill, which follows a companion Senate bill introduced earlier, demonstrates congressional support for biomedical research by providing **\$18.8 billion in FY 2001 for the National Institutes of Health (NIH), the same as the President's request and an increase of \$1.0 billion or 5.6 percent over FY 2000** (see Table 1). The House, however, in an unusual move, states its strong desire to appropriate even more for NIH for a total of \$20.5 billion, the same as the Senate appropriation, and even allocates the extra funds among the institutes in the bill language. But although the bill distributes \$20.5 billion among the NIH institutes, the House also inserted a separate provision that would take back \$1.7 billion because of a tight funding situation for the overall bill, leaving the net appropriation at \$18.8 billion. The Senate bill would provide the full \$20.5 billion without restrictions (see the May 15 AAAS R&D Funding Update for full details of the Senate bill). President Clinton has issued veto threats against both the House and Senate versions of the bill because they fail to meet his budget requests for education and social services programs.

While the Senate appropriation would keep NIH on track to double its budget between FY 1998 and FY 2003, the House tried but was unable to match the Senate. When drafting the Labor-HHS bill, the House was faced with a far more restrictive spending total than the Senate and was thus forced to abandon its hope of giving NIH a 15 percent increase, but drew up plans for how to distribute the increase anyway and wrote each institute's appropriation assuming a large increase. The planned distribution of funds would have been similar to the Senate distribution (see Table 1), with increases greater than 14 percent for each institute. But near the back of the bill the House added a provision taking back \$1.7 billion of the proposed \$2.7 billion boost over the FY 2000 funding level because the funds were needed for other programs, leaving NIH with \$18.8 billion, an increase of \$1 billion or 5.6 percent that matches the President's request.

The \$1 billion or 5.6 percent increase for the agency would be well below the nearly 15 percent increases of the past two years. Many Members of Congress are committed to doubling the NIH budget in five years, with FY 2001 as the third year in an effort that began with large increases in FY 1999 and FY 2000. Keeping NIH on a five-year doubling track would require a 15 percent increase to \$20.5 billion, a target the Senate bill meets but the House bill falls short of because of the extra provision.

NIH classifies 96 percent of its budget as R&D; the remainder is for research training and overhead costs. The House bill would provide \$18.1 billion for NIH R&D, up \$1.0 billion or 5.8 percent from the FY 2000 total.

Every institute would receive an increase greater than 14 percent in the Senate bill and in the House bill as originally written, but after taking back \$1.7 billion most would receive increases between 5 and 6 percent. Only the Fogarty International Center (FIC; \$48 million, up 10.8 percent) and the Office of the Director (OD; \$309 million, up 9.6 percent) would receive increases approaching 10 percent (see Table 1).

The National Cancer Institute (NCI) would once again have the largest budget with \$3.5 billion, an increase of 5.8 percent, although the House planned to award \$3.8 billion (an increase of 15 percent). As with the Senate bill, the House bill would appropriate **HIV/AIDS research** funds within individual institute budgets, instead of in a consolidated account as the Administration proposed.

The House and Senate bills would grant the \$149 million request for Buildings and Facilities, which would allow construction to begin on NIH's proposed National Neuroscience Research Center (\$47 million in FY 2001). The Administration also requested \$26 million in FY 2002 funds for the center, but neither bill includes an advance appropriation. In addition to these intramural construction funds, the House and Senate bills would provide \$75 million in the National Center for Research Resources (NCRR) budget to support extramural research facilities construction, slightly above \$73 million in FY 2000. The Senate NCRR appropriation would also provide \$60 million (up from \$40 million) for the Institutional Development Award (IDeA) program designed to broaden the geographic distribution of NIH grants by enhancing the research competitiveness of institutions which have traditionally been less successful in obtaining NIH funding. IDeA is similar to the Experimental Program to Stimulate Competitive Research (EPSCoR) programs run by the National Science Foundation and other agencies. The House would provide \$100 million for this program, but only if the full \$20.5 billion NIH appropriation becomes available.

Although NIH has come under increasing congressional scrutiny over the past year because of several controversies in areas such as gene therapy research, stem cell research, and the use of fetal tissue, the House and Senate Labor-HHS bills are relatively free of legislative provisions to restrict the types of research NIH can fund. The only major provision is the restatement of an existing ban on NIH using its funds to create **human embryos for research purposes** or to fund any research in which human embryos are destroyed.

The Labor-HHS bill would provide increases for R&D programs in other agencies within the **Department of Health and Human Services** (HHS; see Table 2). R&D in the Centers for Disease Control and Prevention would increase by 7.1 percent to \$511 million. R&D in the Agency for Healthcare Research and Quality (AHRQ) would increase dramatically to \$183 million (up 8.8 percent), with a special emphasis on research on medical errors reduction. Total HHS R&D would rise 5.6 percent to \$19.1 billion.

Because the House Labor-HHS bill provides details of how the House would allocate \$20.5 billion to NIH if it had the money, and because this plan is similar to the Senate's \$20.5 billion appropriation, it is nearly certain that in House-Senate conference the NIH budget will end up at \$20.5 billion. The difficulty will lie in getting to a final Labor-HHS bill. In most of the past several years, this bill has been the most difficult of the appropriations bills to write and approve, and appropriators have been unable to enact it into law as a stand-alone bill, instead bundling it into a year-end omnibus bill. While this year's process has been unusually rapid compared to past years with both chambers drafting their bills before the Memorial Day recess for the first time since the Republican takeover of Congress in 1994, final passage of the bill and its increase for NIH are far from secured. President Clinton's veto threats for both the House and Senate versions mean that quick enactment of the bill is unlikely, and a final bill capable of securing the President's signature may have to wait until high-level negotiations in the early fall between the President's top officials and the congressional leadership can come up with additional billions to bring social services and education funding closer to the President's request.

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**Table 1. National Institutes of Health
House Appropriations Committee Action on R&D in the FY 2001 Budget
(budget authority in millions of dollars)**

	FY 2000 Estimate	FY 2001 Request	FY 2001 Senate	Action by House		
				FY 2001 House	Chg. from FY 2000 Amount	Percent
Cancer	3,312	3,505	3,804	3,505	193	5.8%
Heart, Lung and Blood	2,026	2,137	2,328	2,137	110	5.4%
Dental and Cranofacial Research	269	284	310	284	15	5.6%
Diabetes, Digestive and Kidney	1,141	1,209	1,318	1,209	68	5.9%
Neurological Disorders and Stroke	1,030	1,085	1,189	1,085	55	5.3%
Allergy and Infectious Diseases	1,797	1,906	2,067	1,906	110	6.1%
General Medical Sciences	1,354	1,428	1,554	1,428	74	5.5%
Child Health & Human Development	859	905	986	905	45	5.3%
Eye	450	474	517	474	24	5.3%
Environmental Health Sciences	443	469	508	469	26	5.9%
Aging	688	726	795	726	38	5.5%
Arthritis & Musculoskeletal & Skin	349	369	401	369	19	5.5%
Deafness and Comm. Disorders	264	278	304	278	14	5.4%
Mental Health	975	1,031	1,118	1,031	57	5.8%
Drug Abuse	687	725	790	725	38	5.5%
Alcoholism and Alcohol Abuse	293	309	337	309	15	5.3%
Nursing Research	90	93	107	93	3	3.3%
Research Resources	675	714	775	714	39	5.8%
Human Genome Research	336	358	386	358	22	6.5%
Fogarty International Center	43	48	61	48	5	10.8%
National Library of Medicine	215	230	257	230	15	6.9%
Office of the Director	282	309	352	309	27	9.6%
Office of AIDS Research ¹	0	[2,111]	0	0	--	--
Buildings and Facilities ²	165	149	149	149	-16	-10.0%
Complementary & Alternative Med.	69	72	100	72	3	4.9%
Total NIH Budget	17,813	18,813	20,513	18,813	1,000	5.6%
<i>subtract:</i>						
- <i>Estimated Research Training</i>	<i>550</i>	<i>564</i>	<i>615</i>	564	<i>14</i>	<i>2.5%</i>
- <i>Other Non-R&D</i>	<i>161</i>	<i>155</i>	<i>169</i>	155	<i>-6</i>	<i>-3.6%</i>
Total NIH R&D	17,102	18,094	19,729	18,094	992	5.8%

AAAS estimates based on FY 2001 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2000 and FY 2001 request figures based on OMB R&D data and supplemental agency budget data.

All figures are rounded to the nearest million. Changes calculated from unrounded figures.

¹ The FY 2001 request consolidates NIH-wide AIDS research into the Office of AIDS Research (\$2.1 bil.).

FY 2001 request figures adjusted for comparability with FY 2000 and FY 2001 House and Senate figures, which distribute AIDS funds among the institutes.

² FY 2000 includes advance appropriation of \$40 million. FY 2001 figures do not include \$26 million advance appropriation requested for FY 2002.

June 2, 2000 - House and Senate Appropriations Committee-approved funding levels.

These appropriations may be amended or rejected on the House or Senate floors.

**Table 2. Department of Health and Human Services
House Appropriations Committee Action on R&D in the FY 2001 Budget
(budget authority in millions of dollars)**

	FY 2000 Estimate	FY 2001 Request	FY 2001 Senate	Action by House		
				FY 2001 House	Chg. from FY 2000 Amount	Percent
National Institutes of Health	17,102	18,094	19,729	18,094	992	5.8%
Centers for Disease Control	477	518	508	511	34	7.1%
Food and Drug Administration	135	146	140	137	2	1.6%
Health Care Financing Administration	61	55	65	55	-6	-9.8%
Health Resources and Services Admin.	15	15	15	15	0	0.0%
Healthcare Research and Quality ¹	168	209	227	183	15	8.8%
Administration for Children & Families	41	43	41	40	-1	-1.3%
Office of Aging	33	38	33	10	-23	-70.8%
Departmental Administration	50	50	20	50	0	0.0%
Total HHS R&D	18,082	19,168	20,777	19,095	1,013	5.6%

AAAS estimates based on FY 2001 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2000 and FY 2001 request figures based on OMB R&D data and supplemental agency budget data.

All figures are rounded to the nearest million. Changes calculated from unrounded figures.

¹ Formerly the Agency for Health Care Policy and Research.

**June 2, 2000 - House and Senate Appropriations Committee-approved funding levels.
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