How NCI Receives Its Funding

NCI receives its funding, or appropriation, from Congress as part of the overall federal budget process.

**STEP 1**
OMB coordinates with federal agencies to formulate the President’s Budget, which covers all federal agencies (including NCI and NIH) and reflects the President’s priorities. The President submits the budget to Congress, which must pass appropriations legislation that funds federal agencies.

**STEP 2**
The Congressional appropriations committees consider the President’s Budget as they prepare appropriations legislation for the next fiscal year.

**STEP 3**
The appropriations committees finalize their legislative proposals, and the House and Senate consider the proposed legislation. Once passed and reconciled into a unified bill, Congress sends the legislation to the President.

**STEP 4**
The President signs the appropriations bill into law, making funds available to executive agencies, including NCI and NIH.

NCI Professional Judgment Authority
The National Cancer Act of 1971 gives the NCI Director special authority to submit an annual professional judgment budget directly to the President for review and delivery to Congress. This budget reflects NCI cancer research priorities and identifies areas of potential investment in cancer research.

Recap

- **Budget Deal in November** – raised budget caps (postponed sequestration for 2 years), allowing for more $ for FY16 and FY17

- **Strong bipartisan support for NIH** = increased funding

- **FY16 increases** - $2 billion increase for NIH
  - $265 million increase for NCI

- **Authorizing Bills in Play**
  - **21st Century Cures (House)** – passed the House with mandatory funding for NIH ($2 billion per year x 5 years) but no offsets identified
  - “Innovation” – several bills (Senate) – can’t agree on mandatory funding. Definitely no offsets...
State of the Union 2016
Cancer Moonshot “I’m putting Joe in charge”
Inspiring a New Generation to Defy the Bounds of Innovation: A Moonshot to Cure Cancer.

What Vice President Biden’s moonshot may mean for cancer research
By Jocelyn Kaiser | Jan. 13, 2016, 2:00 PM

On Cancer ‘Moonshot,’ Time is Ticking for Biden
By John T. Bennett and Stephanie Akin
Posted at 6:50 p.m. on Jan. 28

‘Moonshot’ to Cure Cancer, to Be Led by Biden, Relies on Outmoded View of Disease
By GINA KOLATA and GARDINER HARRIS | JAN. 30, 2016

Biden Names Leader for ‘Moonshot’ Cancer Campaign
He won his own battle against cancer. Biden just picked him to lead a war

Biden staff to cancer researchers: Tell us what we can do quickly

Is Cancer Task Force Another Placebo?
Public health deans warn cancer 'moonshot' overlooks prevention

Biden says politics impeding cancer cure

Five Criticisms of Obama and Biden’s ‘Cancer Moonshot’
HHS FY 2017 Budget Request

- The President requested $82.8 billion for HHS discretionary programs, a reduction of -$658 million below FY 2016
  - Included $1 billion cut to NIH

- The Budget adds mandatory funding to offset many of the reductions -- such as +$1.8 billion for NIH
  - Part of mandatory proposal, $680 million increase for Cancer Moonshot Initiative

- Consistent with budget caps, cuts strategically applied to minimize risk

- How can Congress find the $680 million? How hard will they try?
Government-Wide Budget is 63% Mandatory

- **Mandatory**: $2.4 Trillion
- **Discretionary**: $1.2 Trillion
- **Interest**: $240 Billion (6%)
When You Hear “Mandatory” Think “HHS and Social Security”
How Has Congress Responded to the President’s Budget?

- For the first time in years, the Congress declined to listen to testimony from the Director of OMB.

- The Budget Committees want to focus on reducing the national debt.

- The Congressional majority has been debating whether to appropriate less than the recently-revised FY 2017 discretionary caps.

- Budget Resolution – March 23
  - Relies on “sidecar” mandatory spending cuts
  - Controversial and uncertain
Republicans promise ‘sustained’ NIH funding hikes without budget gimmicks

By Jeffrey Mervis | Mar. 3, 2016, 2:30 PM

CQ NEWS
March 16, 2016 – 12:23 p.m.

House Appropriators Push Back on Mandatory NIH Funding

March 7, 2016

Senate Democrats Seek NIH, FDA Mandatory Funding

Senators: We need to continue the momentum of increasing NIH funding

Mandatory Funding Clash

Mar 10, 2016

Fight over NIH funding puts Senate medical innovation bills in jeopardy

Politics

Funding Cancer Moonshot 'Could Be a Problem'

Politics

No guarantees in Congress for cancer moonshot funding, but lobbying is underway
Appropriations Process

• The Committees on Appropriations are supposed to pass 13 appropriations Acts each year (not a full year continuing resolution “CR”, or an “omnibus”)

• CRs limit new programs, new funding, directives

• NIH – Labor-HHS-Education bill
  • Most controversial, typically last to move
Appropriators Wanted “Regular Order”

• Not going to happen

• “I would be extraordinarily pleased and surprised if we got all these bills across and done, through the process by September 30”
  
  Chairman Tom Cole (R-OK)

Good news:
This is the year we DON’T need to worry about a government shutdown
House Appropriators Visit NIH
February 29, 2016
House Appropriators Visit NIH
February 29, 2016
The baseline to me is the $32 billion we appropriated last year. We made it abundantly clear in the hearing that we were not going to take a dime of that away. ...What the president did [in his budget proposal] was basically take a billion dollars of discretionary money, which is real money that we appropriated, to fund other things and had a $1.8 billion mandatory gimmick.

We don't have the authority to do this, No. 1. No. 2, are you talking to anyone about it? Where does this money magically come from? In our political judgment, that's not going to happen.
We don't like mandatory spending. It's grown completely out of control.

In the meantime, the mandatory entitlement side of the budget is soaring out of control. When I came to Congress, we appropriated two-thirds of federal spending. Now it's one-third. Entitlements were one-third and now they're two-thirds and growing. Unless we deal with it, we can't even pay the interest on the debt with discretionary funds.

So that's why we are so dead set against mandatory increases.
“[Y]our budget will result in a one billion dollar cut in discretionary funding for NIH.

And I assure you, that this Chair and Ranking Member and the big Chair and I will just not let that happen . . .

The Department’s request for substantial sums in mandatory funding is of concern . . . and if you can get it, good luck to you on that one.”

Appropriations Committee Ranking Member Nita Lowey (D-NY)
I was disappointed with the budget.

I will accept Senator Alexander's analysis that sometimes you cut in the areas where you know Congress is going to step in and fill the void and I hope that's the case here. But what the chairman said at the outset, counting on mandatory spending to make up the difference is a risk I hope we never take.”

Senator Richard Durbin (D-IL) Senate HELP Committee(s) – authorizer and appropriator
So what happens now?

- Appropriators put forth initial “mark” – next few months
  - All hope it not lost
  - Ping pong game, election year
- NIH will be protected, but there are limits and we need to be realistic
- What can appropriators do for “cancer moonshot” funding?
- What are they willing to do?
- Authorizers looking for a way to supplement any appropriated funds for the Cancer Moonshot – “pay fors” expected to be last minute in the Senate (=drama)
Key Events

• March 18: Vice President names Greg Simon as Executive director of the Cancer Moonshot Task Force
  
  “We're going to try to figure out what we can achieve in 10 years, and then how to achieve it in five.”

• April 7 - Senate Appropriations Hearing on NIH Budget

  ▪ TBD - Blue Ribbon Panel announcements/meeting

  ▪ TBD - White House Summit
Timeline

• As of today, there are 223 days until the Presidential Election

• Compressed Congressional Work Schedule – conventions, campaigning

• Very little time for Congress to take action related to the Cancer Moonshot within this Administration, but still...
  - Important time for building support, aided by transparent discussion with Blue Ribbon Panel and NCI / NIH
  - Great opportunity for the entire cancer research community
QUESTIONS?
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