NCI Legislative Update

Joint BSA and NCAB Meeting

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Director
NCI Office of Government and Congressional Relations

June 21, 2016
Topics

Recap - President’s Budget Request

Status of FY2017 Appropriations Process

Timeline – Recess, Election, Lame Duck

Opportunities for engagement and education
NATIONAL CANCER INSTITUTE
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.

**Likely Next President**

**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.

FY2016 Appropriation (discretionary funding):

- + $2 billion for NIH, + $265 million for NCI
- Biggest increase in 12 years

Authorizing Bills in Play (mandatory funding):

- House - 21st Century Cures – passed the House in July. Includes mandatory funding for NIH ($2 billion per year x 5 years).
- “Innovation” – several bills (Senate) passed HELP committee in April. No agreement on mandatory funding (NIH and FDA or just NIH).
HHS FY 2017 Budget Request – NIH

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

- For NIH:
  - Cuts $1 billion discretionary funding
  - Adds 1.8 billion mandatory funding
  - includes $680 million Cancer Moonshot Initiative

- Consistent with budget caps, cuts strategically applied to minimize risk
What is the difference between mandatory and discretionary spending?

- Authority for discretionary spending stems from annual appropriation acts, which are under the control of the House and Senate Appropriations Committees.

- Most defense, education, and transportation programs, are funded that way, as are NIH, CDC, and a variety of other federal programs and activities.

- Mandatory spending includes spending for entitlement programs (Social Security, Medicare, and Medicaid, etc.).

- Most expire at the end of a given period.

- Requires a pay-for ("offset")
Discretionary versus Mandatory

“A Tug of War Over Funding NIH

Both parties are eager to boost the agency’s coffers, but should the funding be mandatory or discretionary?

“Unsurprisingly, those [NIH] missions have plenty of bipartisan support. What they don’t have are bipartisan agreements on which pot of government money they should draw from.”

“Case can be made for one-time support for NIH high priority initiatives that have a beginning and an end...no similar justification for mandatory funding at the FDA, which is funded through both appropriations and industry user fees.”
We don't like mandatory spending. It's grown completely 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.

House Appropriations Chairman Hal Rogers (R-KY)
Senate Labor-Health and Human Services FY2017 Appropriations Bill

<table>
<thead>
<tr>
<th>Department</th>
<th>Spending Increase/Decrease from FY 2016</th>
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<tr>
<td>Department of Labor</td>
<td>-$134 million</td>
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<tr>
<td>Department of Health and Human Services (HHS)</td>
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<td>Department of Education</td>
<td>-$220 million</td>
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### Health Spending Highlights

<table>
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<th>Spending Increase/Decrease from FY 2016</th>
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<tr>
<td>Opioid Treatment Spending</td>
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<td>CDC Prescription Overdose Program</td>
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<td>NIH BRAIN</td>
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<td>Antibiotic Resistance</td>
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<td>Cancer Moonshot Initiative</td>
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**Status:**
The bill passed subcommittee 6/7 and full committee 6/9.

House bill is expected in late June.

*Sources: Dylan Scott, Senate Panel Approves Funding Bill with Big Boost to Fight Opioid Epidemic*, June 7, 2016; “Subcommittee Approves FY2017 Labor, HHS & Education Appropriations Bill,” Senate Committee on Appropriations, June 7, 2016.*
National Institute of Health Is By Far the Largest HHS Discretionary Program

Measured in Billions of Dollars

- **National Institute of Health**: $33.3 ($34.0)
- **Centers for Disease Control**: $7.0 ($7.1)
- **Head Start**: $9.6 ($9.2)
- **SAMHSA***: $3.7 ($3.7)
- **CCDBG****: $3.0 ($2.8)
- **LIHEAP***: $3.0 ($3.9)

*Substance Abuse and Mental Health Services Administration

**Child Care and Development Block Grant

***Low Income Home Energy Assistance Program

Senate FY 2017 Appropriations

- Senate Labor-HHS-Education bill
- Subcommittee – passed unanimously, June 7
- Full committee – passed 29-1, June 9

+$2 billion for NIH
$32.084 billion to $34.084 billion (approx. 6%)

+ $216 million for NCI
$5.21 billion to $5.43 billion (approx. 4%)
Senate FY2017 Appropriation

- Targeted increases for specific NIH initiatives, as well as an across-the-board increase for all NIH Institutes and Centers
  - $400M Alzheimer’s disease ($1.39B)
  - $100M PMI Cohort (total of $230M)
  - $100M for NIH BRAIN initiative ($250M)

- Discussion of “surge” funding for Vice President’s National Cancer Moonshot, Alzheimer’s Disease, NIH BRAIN Initiative
Senate FY2017 Appropriation

- No mention of the Vice President’s National Cancer Moonshot Initiative - not surprising based on the appropriators’ collective frustration with the structure of the budget proposal
- Message is NOT lack of support for cancer research
- Targeted increases for specific NIH initiatives, as well as an across-the-board increase for all NIH Institutes and Centers
House FY2017 Appropriation

- Markup Pending, will be consistent with Senate

- Chairman Tom Cole:
  “There will be more funding for cancer research, but it's hard to fund a program when you don't have the specifics. They're not going to actually produce a report until December. It's kind of hard to write a check that says 'cancer moonshot' on it without the specific elements.”

- Long way to go before FY2017 appropriation is final
What will happen?

Short term CR will be enacted in September

Post-Election Options:

- Omnibus deal
- CR into next Congress/Administration
- Full year CR

*CRs limit new programs, new funding, directives*
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Timeline

- As of today, there are 140 days until the Presidential Election

- Compressed Congressional Work Schedule
  - September – 4 weeks in session, stopgap spending bill
  - Lame Duck - When Congress (or either chamber) reconvenes following the November general elections
  - Opportunity and Controversy for major issues being handled in a lame duck (non-returning members voting)
What Happens in the next Congress?

- The entire House is up for reelection (N=435)

- One-third of the Senate (N=34, 24 are GOP-held seats)

- Senate Majority may flip - if so, what will that mean?

- NIH and cancer research are bipartisan priorities
Opportunities for Engagement and Education

Member and Staffer Briefings

Hill Briefings (AACR / NCI Briefing June 28)

Release of BRP Report (August/September)

NCI Professional Judgment Bypass Budget
Eighty-five cancer researchers, oncology nurses, clinicians, advocates and cancer survivors completed 150 meetings with legislators and their staff members during this year’s visit to Capitol Hill on May 17. AACI, the American Association for Cancer Research (AACR), the American Society of Clinical Oncology (ASCO), Friends of Cancer Research (Friends), and the Oncology Nursing Society (ONS) hosted the event.

“Legislators rely on feedback from constituents like cancer center directors...if we don’t hear from you, then we assume everything is all right”
QUESTIONS?

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